

FOURTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2019-2021)**

SEVENTY SIXTH REPORT
(Presented on 14th January, 2021)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2021

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On

**Paragraphs relating to Health and Family Welfare Department
contained in the Report of the Comptroller and Auditor
General of India for the year ended
31st March 2014 (General &
Social Sector)**

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(2019-2021)

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INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Seventy Sixth Report on paragraphs relating to Health & Family Welfare Department contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March 2014 (General & Social Sector).

The Report of the Comptroller and Auditor General of India for the year ended 31st March 2014 (General & Social Sector) was laid on the Table of the House on 23rd March 2015.

The Committee considered and finalised this Report at the meeting held on 11-1-2021.

The Committee place on records their appreciation of the assistance rendered to them by the Accountant General in the examination of the Audit Report.

Thiruvananthapuram,
14th January, 2021.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

REPORT

HEALTH AND FAMILY WELFARE DEPARTMENT

Audit paragraphs 5.1 to 5.1.3.1 contained in the report of the C&AG of India for the year ended 31st March 2014 (General & Social Sector)

5.1 Kerala Emergency Medical Services Project (108 Ambulance)

5.1.1 Introduction

Government of Kerala (GOK), Health and Family Welfare Department, launched (December 2008) the Kerala Emergency Medical Services Project (KEMP) in Thiruvananthapuram district in May 2010 and in Alappuzha district in April 2012 through Public Private Partnership mode (PPP) for the effective management of emergencies arising due to increasing road accidents, health related problems, outbreak of diseases and unexpected natural disasters. Expansion of the project to other districts had not materialised as of date (October 2014). While GOK provided 50 fully equipped ambulances and space for setting up the Emergency Response Centre (ERC), the private partner, selected through a bidding process was to operate the ambulances equipped with trained paramedical staff. The public were to be provided 24x7 access to the ambulance services free of cost, by using a common toll free telephone number '108'. As per the project, an ERC was set up (May 2010) at Thiruvananthapuram to receive the distress calls from the public and to send the ambulances to the pick up spot. The services of the ambulances were to be provided round the clock through an integrated solution including Voice Logger System, Geographic Information System maps, Global Positioning System (GPS), Automatic Vehicle Tracking and mobile communication system, etc. The designed system was to ensure that on receipt of a distress call, the control room could mobilise the nearest available ambulance to pick up the distressed persons and transport them to the nearest hospitals.

Management of the project, which was initially vested with the State Health and Family Welfare Society (SHFWS), was entrusted to the Kerala Medical Services Corporation Ltd. (KM SCL) with effect from January 2012. M/s. Ziqitza Health care Limited (ZHL) was the agency operating the scheme in the State during the period 19 May 2010 to 15 October 2013¹. The current operator of the scheme is M/s. GVK-EMRI, Hyderabad (GVK - EMRI) since 16 October 2013².

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- 1 The contract envisaged payment of operational expenses of ₹2.97 crore per year for 25 ambulances for Thiruvananthapuram district and for Alappuzha district, operational expenses of ₹2.30 crore per year for 18 ambulances. In addition, additional operational cost payable for each ambulance was calculated at the average price of ZHL in running the ambulances for 2000 km for any additional km covered beyond 2000 km per ambulance per month.
 - 2 Operational expenses of ₹1.17 lakh per month per ambulance for 43 ambulances. In addition, additional operational cost of ₹ 15 for any additional km travelled beyond 3000 km in a month.

The Audit of the implementation of KEMP in the State with reference to the terms and conditions stipulated in the PPP agreement with ZHL/GVK-EMRI and provisions of the Kerala Financial Code (KFC) was conducted during April to July 2014 covering the period 2009-2014.

5.1.2 Funding

Government of India (GOI) stipulated that while it would fully support the capital cost³ for emergency response transport, the operational cost would be supported on a diminishing scale of 60 per cent in the first year, 40 per cent in the second year and 20 per cent from the third year onwards. The funds were released by GOI through the National Rural Health Mission (NRHM) on the basis of requirement projected by the State Government. Details of funds received and expenditure during 2008-2014 are given in Table.

Details of funds received and expenditure (₹in crore)

Year	Amount sanctioned		Total	Expenditure
	GOI	GOK		
1	2	3	4 (2+3)	5
2008-09	11.48	-	11.48	5.00
2009-10	10.94	-	10.94	13.34
2010-11	7.40	0.90	8.30	4.68
1	2	3	4 (2+3)	5
2011-12	3.00	-	3.00	4.36
2012-13	6.64	40.00	46.64	6.85
2013-14	2.36	10.00	12.36	7.68
Total	41.82	50.90	92.72	41.91

(Source: Data furnished by NRHM/KMSCL)

AUDIT FINDINGS

5.1.3 Service Delivery

The primary objective of KEMP was to provide 24x7 pre-hospital emergency medical response (ambulance) services all over the State, free of charge to the distressed persons. Details of audit observations on service delivery are given below:

3 Capital cost viz. cost of ambulances and setting up of ERC.

5.1.3.1 Denial of calls i.e., not providing required ambulance services

The KEMP was aimed at providing 24x7 pre-hospital emergency medical response (ambulance) service all over the State free of any charge to the distressed persons. Table below gives the details of calls made by the distressed persons and the required ambulance services provided or not.

Details of calls received and attended

Period	Total calls received at ERC	No. of calls attended (including inter-facility transfers at Col. 6)	No. of cancelled calls ⁴	No. of denied calls ⁵	No of Inter-facility transfers ⁶	No. of unattended calls (including denied calls) Col.2-(3+4)
1	2	3	4	5	6	7
Details of calls recorded by ZHL						
May 2010 to 15 October 2013	1675353	100027	15010	27370	45417	1560316
Details of calls recorded by GVK-EMRI						
16 October 2013 to March 2014	192155	16318	2617	732	4738	173220
Grand Total	1867508	116345	17627	28102	50155	1733536

(Source: Data furnished by KMSCL)

It can be seen from the above table that ambulance service was not provided in respect of 28102 calls during the period May 2010 to March 2014 due to non-availability of ambulances. GOK stated (October 2014) that the percentage of

4 Cancelled calls: Calls responded to by ambulances but persons not taken to hospitals due to fake calls, not critical cases, cases already taken by other vehicles to hospitals, Dead on Arrival (DOA) cases, etc.

5 Denied calls: Calls not attended to because of non-availability of vehicles

6 Inter-facility transfers: Transfer from one hospital to another due to inadequate facilities in the first hospital

such calls was only 1.5 per cent of the total calls received. It was further stated that patients taken by the 108 ambulance to secondary or district health institutions were mostly referred to medical colleges which were far away from the parking locations of the ambulances. During such period, the services of such ambulances would not be available in that location for attending to emergency cases. It was also stated that in Alappuzha district, cases of denial of ambulance service occurred due to the fact that some of the cases were referred to hospitals and medical colleges situated in the neighbouring district e.g. Medical College, Kottayam.

The reply is not tenable as ambulances available at nearby places could have been deployed using the GPS and Automatic Vehicle Tracking and Mobile Communication System as provided under clause 3 of the agreements with ZHL and GVK-EMRI. It was further observed that no efforts were made to address the deficiency of ambulances, despite four ambulances remaining unutilised during April 2012 to October 2014 as stated in paragraph 5.1.3.2. GOK's contention that the number of denied calls was only 1.5 per cent of the total calls received cannot also be accepted since even a single call denied could put the life of patients at risk.

Notes received from the Government on the above audit paragraph are included as Appendix – II.

Excerpts from discussion of committee with officials concerned.

1. Regarding the para, denial of calls not providing required ambulance service, the committee at its meeting on 10-7-2019 enquired whether the phone calls were actually denied. The Secretary, Ayush Department & Managing Director, Kerala Medical Service Corporation Ltd. answered that only 28102 calls were denied due to unavailability of 108 ambulances as the vehicle may have been busy taking a patient to hospital or on its way back or it may have been parked away from the location of the caller.

2. The Committee enquired about the difference in the calls received (1867508) and the calls attended (116345). The witness, Secretary Ayush Department & Managing Director, KMSCL replied that the data pertain to three years and emergency calls comes between 1.2 lakhs and 1.3 lakhs. On verification of data base it was found that the total number of calls to call centres came to

16 lakhs but most of them were fake calls. The verification of call details from July, 2015 revealed that calls included fake call, as well as calls assigned and cancelled by caller before starting the ambulances.

3. The Committee observed that action should have been taken against fake calls following the audit observation and opined that if police case had been registered against fake calls for 108 ambulances then the instance of fake calls would have been reduced. The Committee opined that there should be a mechanism to identify fake calls.

4. The Witness, Principal Secretary, Health & Family Welfare Department revealed that the fake calls have been reported to police and there is mechanism to bar fake calls that comes from certain numbers repeatedly which has resulted in lesser number of fake calls. He further stated that at present there are only problems relating to shortage of ambulance for servicing. He added that the matter of 17 lakh calls categorised as unattended calls need to be properly analysed.

5. The Accountant General opined that there should not be a category unattended calls and all calls are to be attended to identify whether it is a fake call or not. The witness Managing Director, KMSCL clarified that Control room has a log book to record the calls received, a track record to monitor the ambulance running, GPS with vehicle tracker and details of the patients who have been transported to hospitals. He added that if there are any complaints regarding 108 ambulance Service, the complaint cell will rectify the complaints.

6. The Committee opined that there is lack of clarity regarding the number of unattended calls, rejected calls, fake calls, etc. The Committee directed the department to furnish a detailed report explaining the present situation and to take stringent action against fake calls.

7. Regarding the para 5.1.3.1, the denial of calls, the Committee at its meeting on 21-8-2019 asked the department to clarify the details enquired by the Committee at its meeting on 10-7-2019 regarding denial of calls which comes to 1.5% of total calls of 16.75 lakh received requesting ambulance service. The Secretary, Ayush Department & Managing Director Kerala Medical Services

Corporation Ltd. answered that they had collected the entire list of call details during the period from May 2010 to October 2013, the total calls for three years had been 1675353 in number and ambulance service was operated by M/s. Ziqitza Health Care Limited. She further informed the Committee that the figure of 16.75 lakhs shown in the report was the total number of phone calls for three years (2010-2013) and since the analysis of all those phone calls was difficult to carry out, data analysis of the calls was done on the basis of the day in which maximum calls were received and from that analysis it had been observed that the emergency calls made only five percentage of the total calls.

8. The witness stated that there were 16 lakh calls during the period from May 2010 to October 2013 where M/s.ZHL was the operating agency and the maximum calls attended was on 14-12-2010. The witness explained that 1504 calls received on 14-12-2010 includes 81 Emergency calls, 22 general enquiry calls, one appreciation call, 128 follow up calls, 12 service not required, 38 calls from hospitals for transfer, 230 EMT to call centre, 132 repeated calls, 5 interstate calls, 13 service not approved, 54 disconnected calls, 103 missed calls, 309 silent calls, 31 nuisance calls, 56 wrong calls, 16 calls from children and 273 outgoing calls. Therefore, it can be seen that only 81 calls out of 1504 were emergency calls which amounts to 5.4 percentage of total calls.

9. The witness further explained that there were 1,92,155 calls during the second tenure operated by M/s. GVK – EMRI, ie the period from October 16, 2013 to March 1, 2014 and maximum calls of 1776 were received on June 5th 2016. There were only 104 actual emergency calls which comes to 5.85% of total calls.

10. The Committee observed that the figures shown in the AG's report did not tally with the figures in the reply given by the Government. The Committee enquired whether unattended calls could be termed as fake calls. To the query regarding the mismatching of unattended calls, the witness Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. informed that 17 lakh calls mentioned in the report were not unattended calls and the figures shown in AG's report in this regard was not correct. She also clarified that unattended calls cannot be termed as fake calls.

11. The witness explained that all calls received were listed and they were categorised as Emergency calls, General enquiry, Appreciation calls, Follow up calls, Service not required, calls from hospitals for transfer, EMT to call centre, Repeat calls, Interstate call, Service not approved, disconnected missed calls, Silent calls, Wrong calls, Child calls etc. She further reiterated that all the calls were attended, and there were no unattended calls. Though literally unattended calls means calls not attended, it actually showed the calls for which emergency service or emergency vehicle were not needed. The General Manager, Kerala Medical Services Corporation Ltd. submitted that a standard operation procedure was being followed and details containing the name of person who had attended the phone calls in call centre, details of the call, category of the call and the vehicle assigned for service were all captured in every call centre in this regard. He added that the average number of attended calls was about 1300 per day.

12. To the query of the Committee on the criteria for deciding a call to be an emergency one or not, the witness replied that the calls were categorised as emergency or not based on the nature of calls.

13. The Committee accepting the explanation of Government observed that it was impractical to analyse around 18 lakh calls received during two tenures and two service providers, ZHL & GVK-EMRI spanning a period of 5 years. Committee after examining the analysis done by the Department based on the days in which maximum calls were received during the two tenures, accepted the Department view that emergency call percentage was around five per cent of total calls and that no calls were left unattended.

14. The Committee decided to drop the audit observation based on the explanation of Government.

Conclusions/Recommendations

15. No Comments.

[Audit paragraph 5.1.3.2 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.3.2 Idling of ALS ambulances

GOK ordered SHFWS (December 2008 and September 2009) to implement the KEMP in Thiruvananthapuram and Kannur districts. Director of Health Services (DHS) purchased 50 delivery vans which were converted to Advance

Life Support (ALS) ambulances through M/s. Aeon Medicals (Aeon) at a cost of ₹ 16.90 crore. The ALS ambulances were received by DHS in March and April 2010. The project started functioning (May 2010) in Thiruvananthapuram district with 25 ambulances. Considering the density of population and the increase in accidents, GOK decided (May 2010) to allot the second set of 25 ambulances received in April 2010 to Alappuzha district in order to implement the scheme in Alappuzha instead of in Kannur district. However, these ambulances could be deployed in Alappuzha only from April 2012 due to delay in finalizing the tendering process. In the meantime, the 25 ambulances were deployed to various hospitals in the State in March 2011. Thus, these 25 ambulances were idling for one year from April 2010 when these were received to date of deployment to various hospitals viz. March 2011. As of October 2014, two ambulances were idling for 31 months (since April 2012) and two were idling for 13 months since October 2013 as detailed in Table below.

Details of idling ambulances

Details of idling ambulances	Idling period
Out of 50 ambulances purchased in March/ April 2010, 25 were deployed only in March 2011	25 ambulances x 12 months from April 2010 to March 2011
Four out of 25 ambulances deployed in March 2011 were idling from April 2012. Two out of these four issued as back up ambulances in April 2014, remaining two ambulance idling till date (October 2014)	2 ambulances x 24 months from April 2012 to March 2014 2 ambulances x 31 months from April 2012 to October 2014
2 ambulances received in October 2013 in lieu of two out of the 50 purchased in March 2010 which got destroyed in a fire accident were idling from October 2013 till date (October 2014)	2 ambulances x 13 months from October 2013 to October 2014

Thus, non-deployment of ambulances in a timely manner lead to the idling of four ambulances for 13 to 31 months as of October 2014 and denial of services to the public. GOK replied (October 2014) that a proposal to operate the four ambulances on the highway in Kollam district is under consideration.

Notes received from the Government on the above audit paragraph are included as Appendix II.

Excerpts from the discussion of Committee with officials concerned.

16. Regarding the para, idling of ALS ambulances, the Committee enquired at its meeting on 10-7-2019 whether funds received for purchasing ambulances has been fully utilised. The witness, Managing Director KMSCL replied that at the time of audit 25 vehicles were functioning in Thiruvananthapuram district only. But later out of 25 vehicles which were decided to be allotted to Kannur district, 18 vehicles were allotted to Alappuzha district and from the rest of the seven vehicles, one was allotted to Ernakulam General Hospital, two vehicles to Mananthavadi & Sulthan Bathery Hospitals and four vehicles were assigned to Sabarimala duty. The witness further added that there were only 43 staff for running the vehicles.

17. The witness informed that an integrated system has been developed to allocate 315 ambulances by August 2019 to places where there is high risk for accidents according to Road Safety Authority. He further added that 315 ambulances will be fully operational by October. He further informed that the Central fund and State share are allotted in the ratio of 60:40 and as part of NRHM, an amount of ₹ 4 Crore was sanctioned for purchasing 283 Transport ambulances & 20 ALS and tender has been invited more than once. The witness, Managing Director KMSCL informed that delay in tendering was due to changes proposed as per the guidelines issued by Government pointing out the irregularities in price bid. An amount of ₹ 464 Crores in the account of KMSCL was resumed on 31-3-2018 and it was reprised to return the amount for further operation of the service.

18. While examining the audit para relating to idling of ALS ambulances, at its meeting on 21-8-2019, the Committee noticed that non-deployment of ambulances in a timely manner lead to the idling of four ambulances for 13 to 31 months as of October 2014 which in turn resulted in denial of services to public. The Committee sought the reasons for non-deployment of ambulances.

19. The witness Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. stated that 50 ambulances which were purchased during the month of March and April 2010 were allotted in two phases and 25 ambulances allotted to Thiruvananthapuram District in first phase in May

2010 were still functioning. Due to delay in implementation of 108 operating system, the ambulances proposed to be allotted to Alappuzha in the second phase were deployed to various hospitals in the state and 18 out of 25 ambulances were since issued back to Alappuzha on the demand for return. Though it was decided to deploy 4 ambulances to Kollam district it was not implemented due to failure in the functioning 108 ambulance service system. 6 ambulances had been handed over for Sabarimala duty and after that duty, two among them were issued to Sulthanbatheri & Mananthavadi Taluk Hospitals.

20. The Secretary, Ayush Department & Managing Director, Kerala Medical Services Corporation Ltd. informed that KEMP was introduced in Trivandrum in 2009 as a pilot project with 25 ambulances out of 50 purchased to provide pre-hospital emergency medical service at free of cost to distressed persons. After inviting EOI for finalising the operators, State is to enter into an agreement with M/s. Ziqitza, the LI bidder, for providing KEMP in Trivandrum district. Since the project in Trivandrum was running successfully, Government decided to deploy the remaining 25 ambulances in National Highways throughout the State and the Government appointed M/s. Ziqitza as operating agency for expanding KEMP to Alappuzha District and ambulances were shifted to Alappuzha in 2012.

21. To a query of the Committee, the Secretary, Ayush Department and Managing Director KMSCL replied that KMSCL had regular correspondence with the Government in the implementation of ambulance service and that the purchase and procurement of ambulance was done by DHS and National Health Mission (NHM) and role of KMSCL was only to implement the ambulance service.

22. To a query about funding the purchase of the 108 ambulances the Secretary (Ayush) & Managing Director Kerala Medical Services Corporation Ltd. replied that the share of the Central Government was 60% and the remaining 40% was borne by the State Government.

23. To a query about idling of vehicles for a long time, the witness deposed that ambulances were allotted as per the Government orders and due to delay in implementation of 108 ambulance system the ambulances were kept under the control of DHS and were subsequently deployed to various hospitals in the State. The witness further clarified that after implementation of '108' system, these vehicles were reallocated to Alapuzha district.

24. The Committee expressed its strong displeasure over the idling of ALS ambulances for more than a year after purchasing them. The Committee opined that the lapses already occurred in implementing the ambulance service could not be remedied and directed the department to be very careful to avoid such lapses in future.

25. The Committee pointed out that the Department should have ensured that adequate infrastructure for communication system, a primary necessity for emergency ambulance system was fully established before purchasing the ambulances. This flaw on the Department's part not only led to idling of ambulances but also denied emergency services to public. The Committee also pointed out that even after understanding that the ambulances are idling, the Department failed to follow up or take any timely action to utilise them fruitfully.

26. The Committee expressed its displeasure over the failure of the department to submit a detailed reply on information regarding idling of ambulances called for by the Committee. The Committee, therefore, directed the department to forward at the earliest a detailed reply explaining the reasons for idling of 25 ambulance for more than one year since its purchase; failure of the department in the implementation of ambulance service without delay and the present status of 4 ambulances suggested to operate on the Highway in Kollam District.

Notes furnished by the department on the additional information are in Appendix II

Conclusions/Recommendations

27. The Committee upon analysing the statement of additional information submitted by the department which stated that the implementation of project got delayed because of litigations observed that apart from the litigations it was the negligence, lapse and lack of thorough background study on the part of department which kept ambulances idling after months of procuring it.

28. The Committee expresses its strong displeasure over the idling of ALS ambulances for more than a year after purchasing them with disgust Committee acknowledge the fact that the lapses already occurred in implementing the ambulance service could not be remedied. Therefore the Committee directs the department to be very cautious to avoid such lapses in future.

[Audit paragraph 5.1.3.3 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.3.3 Response time of ambulances

As per project guidelines of GOK (January 2009) ambulance service (108) under KEMP should respond to calls and reach at the required spot within 10 minutes of alert. Audit test checked the response time of ambulances for five months⁷. It was noticed that on an average, 45.52 per cent calls were attended to within 10 minutes. However, the response time was beyond 10 minutes in 54.48 per cent of the cases. This included 23.08 per cent of calls which were attended to after 15 minutes. Failure to respond within stipulated time posed risks to the needy and is a cause for concern.

GOK stated (October 2014) that shortage of ambulances contributed to increase in response time. It was also stated that as per the experience from the pilot project, the average response time had been kept as 15 minutes for urban areas, 25 minutes for rural areas and 30 minutes for hilly and difficult terrains in the latest tender. The reply fails to explain why GOK did not utilise the four ambulances which were idling during the period as mentioned in paragraph 5.1.3.2 above which could have improved the response time.

Notes received from the Government on the above audit paragraph is included as Appendix – II.

Excerpts from the discussion of Committee with officials concerned.

29. While considering the audit para about response time of ambulances, the Secretary, Ayush Department and Managing Director, Kerala Medical Service Corporation Ltd., pointed out that the project was started in Thiruvananthapuram district in 2009 as a pilot project and on the basis of the experience from the pilot project it was decided to rearrange the response time in a realistic and practical manner. The average response time was fixed as 15 minutes for urban areas, 25 minutes for rural areas and 30 minutes for hilly and difficult terrain areas. The witness further added that though the response time of 10 minutes kept in tender was placed in good interest, it was found impractical on actual

7 June 2013, October 2013 to January 2014

implementation of the service. So at present in ongoing new projects the response time is fixed at 15 minutes and this has been implemented in projects in Thiruvananthapuram and Alapuzha.

30. The Committee accepted the department's explanation on the audit para.

Conclusions/Recommendations

31. No comments.

[Audit paragraph 5.1.3.4 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.3.4 Implementation of KEMP in other districts in the State

The DHS submitted (June 2012) a proposal to GOK for extending the project to all districts at a total cost of ₹45.15 crore by purchasing 287 ambulances. GOK accorded (October 2012⁸) administrative sanction to the proposal for ₹40 crore and the amount was released to NRHM in October 2012. As DHS again submitted a proposal (July 2013) for release of ₹10 crore for extending the project to Pathanamthitta and Wayanad districts, GOK released ₹10 crore to DHS in September 2013. These amounts were transferred to KMSCL (₹40 crore in March 2013 and ₹10 crore in January 2014) and are still remaining unspent (October 2014).

The sanction for procurement of 287 ambulances was granted by GOK only in February 2014. GOK decided (February 2014) to invite tenders for supply of vehicles, fabrication and installation of equipment and also for the selection of operating agency for the project. KMSCL invited (February 2014) tenders for selecting operators for implementing the project in all districts of the State. The tender was later cancelled (June 2014) by GOK citing non-finalization of pre-qualification criteria and ordered retender with specific pre-qualification criteria after obtaining the views of Tender Finalization Committee.

Thus, even after two years of envisaging the expansion plans and despite availability of funds since March 2013, the project was not extended to the other districts in the State. This resulted in blocking of ₹ 40 crore for over a year and ₹ 10 crore since January 2014 with KMSCL besides depriving the general public of the intended benefits.

8 ₹ 40 crore vide G. O. (Rt.)3291/12/H&FWD dated 5-10-2012.

Notes received from the Government on the above audit paragraph is included as Appendix II.

Excerpts from the discussion of Committee with officials concerned.

32. To the query regarding the delay in inviting tenders which caused delay in the implementation of KEMP in other districts in the state despite the availability of funds, the witness, Secretary (Ayush) & Managing Director Kerala Medical Services Corporation Ltd. appraised that delay in submission of tender was due to some technical issues. Though KMSCL invited EOI in 2012 it could not proceed with the tender process as final clarification regarding procurement option of ambulances was not received from the Government. KMSCL again invited a tender in February 2014 for the expansion of KEMP to entire districts of Kerala and for implementation of JSSK project. As per the recommendation of Tender formulation and finalization committee, the operator had to purchase the vehicles in their name and operate for five years. The tender was subsequently cancelled not due to the non-finalisation of pre-qualification criteria but because there was a change in the mode of operation based on the Government direction that the vehicles have to be purchased in the name of DHS instead of the operator. The prequalification criteria had to be changed because the model was changed.

33. The Committee enquired about who suggested prequalification criteria and change of criteria. The witness Secretary (Ayush) & Managing Director Kerala Medical Services Corporation Ltd. informed that at first vehicles were operated in the PPP (Public Private Partnership) model in Thiruvananthapuram and Alappuzha where the operator has to purchase the vehicles in their name and operate for 5 years. She added that in the tender which was invited in 2014 the condition was that the bidder has to bring the vehicle for service and the custodian and the operating agency of vehicle was the Director of Health Department. In the current aggregate model, it is the tender agency that has to bring the vehicle as well as the employees.

34. To a query of the Committee the General Manager, Kerala Medical Services Corporation Ltd. answered that the tender had been invited on consortium basis and the consortium formed by three persons provides ambulance service by pooling ambulances registered since April 2017. He further added that single agency consortium can participate in the tender and at present tender has been awarded to M/s. GVK EMRI. The witness pointed out that the operating agency

has already procured the vehicles and the call centre is also operated by them. The witness added that payment need be done only quarterly after examining quality of service rendered by the agency.

35. The Committee directed the department to furnish a detailed report specifically mentioning date & number as well as enclosing a copy of the order/letter, wherever applicable, regarding the recommendation of Tender formulation and finalisation committee, changes made by the Government in those recommendations, reasons for changing those recommendations and circumstances that led to retender and changes in the prequalification criteria.

Notes received from the Government on the additional information called forth by the Committee is included in Appendix - II.

Conclusions/Recommendations

36. The Committee observes that changes proposed in the mode of operation as per the direction of Government has led to changes in prequalification criteria in the implementation of KEMP. The Committee opines that the delay in fixing the operation mode of Ambulances has led to delay in the expansion of the project (KEMP) to other districts in the state even after 2 years despite availability of funds. The Committee directs the department to furnish a detailed report regarding the current status of the amount released for implementation of KEMP and whether the project has been implemented in all districts of Kerala.

[Audit paragraph 5.1.4 & 5.1.4.1 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4 Contract Management

5.1.4.1 Procurement and equipping of ambulances into Advanced Life Support ambulances

Article 51(v) of KFC stipulated that the terms of a contract once entered into should not be materially varied without the previous consent of the Government or the authority competent to enter into the contract as so varied. Article 51 (ix) also stipulated that the Government servant who enters into a contract on behalf of Government and also his subordinates are responsible for strictly enforcing the terms of the contract and for ensuring that no act is done that would tend to nullify or vitiate the contract.

GOK conveyed sanction (September 2009) to the DHS for procurement of 25 ambulances each, for Thiruvananthapuram and Kannur districts at Directorate General of Supplies and Disposals (DGS&D) rates. These ambulances were to be equipped by KMSCL for conversion to ALS ambulances following due tender process. Supply orders were placed with M/s. Force Motors Ltd. for supply of 50 Force Traveller ambulances costing ₹ 6.55 lakh each at DGS&D rate. For fabricating and equipping these ambulances as ALS ambulances, Aeon was selected (September 2009) after following a competitive tender process.

After entering into the contract for equipping Force Traveller ambulances at a cost of ₹ 13.15 crore, Aeon informed KMSCL (October 2009) that these ambulances could not be equipped and converted into ALS ambulances. It recommended procurement of Force delivery vans instead of Force ambulances for conversion into ALS ambulances citing various reasons⁹. Aeon also informed that there should be no change in their prices and that the same prices payable to it for conversion of ambulances should be paid for converting delivery vans into ALS ambulances. In a Purchase Committee meeting (October 2009), chaired by the State Mission Director (SMD), NRHM, the proposal to procure Force delivery vans was accepted. The meeting also authorised the State Health Transport Officer, Directorate of Health Services (SHTO, DHS) to negotiate with M/s. Force Motors Ltd., and finalise the rate for procurement of 50 delivery vans. Based on the letter received from Managing Director, KMSCL and SMD, NRHM, GOK approved (October 2009) cancellation of the earlier purchase order for supply of Force ambulances issued by the DHS and accorded sanction (November 2009) for purchase of 50 Force delivery vans for ₹ 2.81 crore at special Government rate without tendering. These delivery vans were converted and equipped as ALS ambulances by Aeon at a cost of ₹ 13.15 crore. DHS received these ALS ambulances in March - April 2010.

The procedure followed for procurement of 50 Force delivery vans without following due tender process and entrusting the SHTO, DHS to negotiate and finalise the rate lacked transparency and financial probity. Post bid revision of the scope of work on the advice of the private firm and awarding the work to them

9 Inability to mount life saving medical devices on the side wall of ambulances due to the presence of three windows on each side, ability to ensure sterility and hygiene only in a closed delivery van rather than in an ambulance which has six windows in all, easy patient trolley loading in delivery vans manufactured by Force Motors due to a 270° rear door opening and the electrical system in these delivery vans being superior to normal ambulances.

without calling for fresh competitive tender for the new work resulted in extending undue favour to Aeon. GOK should have reverreceted to retendering for giving equal opportunity to all potential bidders.

GOK stated (October 2014) that during the period when the tender was called (2009), M/s. Force Motors had not introduced base ambulance vehicles which could be converted into ALS ambulance. Hence, the only available option was converting delivery vans into ALS ambulances. This reply is not borne out by facts since M/s. Force Motors had submitted (July 2009) a proforma invoice for supply of Force Traveller ambulance at DGS&D rate, which was accepted by the DHS and supply order placed for 50 ambulances.

Action of the GOK was not in conformity with the provisions of the KFC, which calls for investigation followed by fixing of responsibility of persons at fault for violation of provisions of rules.

Notes received from the Government on the above audit paragraph is included as Appendix – II.

Excerpts from discussion of committee with officials concerned.

Committee held detailed discussions on the audit para with department officials during meeting held on 10-7-2019 and 21-8-2019.

39. To a query of the Committee about procurement and equipping of ambulances into Advanced Life Support ambulances, at its meeting on 21-8-2019 the witness Secretary (Ayush) & Managing Director Kerala Medical Services Corporation Ltd. deposed that though it was decided to procure the force traveller ambulance on DGS & D rate and convert it to ALS ambulance due to technical reasons that would arise on conversion, it was decided to buy the Force delivery vans. The Government also found that there will be savings of around 40 lakhs for the procurement of Force delivery vans in lieu of Force ambulances and the change was found to be advisable due to the technical advantages in equipping delivery vans as ALS ambulances. Accordingly sanction was accorded for cancelling the purchase order issued by DHS for the supply of force ambulances and for the procurement of 50 Force delivery vans meeting the technical specifications for equipping and converting as ALS ambulances.

40. The Committee pointed out that there were two main observations with regard to the procurement and equipping of ambulance into ALS ambulances. Firstly, retendering was not done even though there was post bid revision of scope of work when it was decided to equip Force delivery vans instead of Force traveller ambulances as per the tender contract. Secondly, in an extraordinary decision the purchase of vehicles, not part of tender, was done separately by DHS at so called special Government rates.

41. The Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. stated that the scope of work changed because of technical reasons. She reiterated that mounting of life saving medical devices on side walls of the vehicles for converting it to ALS ambulance was not possible in Force ambulance because it had windows on the sides. Change of position of windows as well as mounting of devices would have created technical problems. There was also the report of NRHM State Mission Director which stated that equipping force delivery vans were technically and economically more viable than converting Force ambulance. The Government examined the whole matter. Taking into account the procurement price of vehicles, it was found that there will be a savings of 40 lakhs rupees for purchase of 50 vehicles if Force delivery van were purchased since each of it cost only ₹ 5.62 lakhs where as Force ambulance costs ₹ 6.55 lakhs each. Therefore Government concluded that re-equipping the delivery vans was more feasible than re-equipping Force delivery ambulances into ALS ambulance.

42. The Committee, noting the Government stand that there was a profit of 40 lakhs involved in re-equipping the delivery vans into ALS ambulance, pointed out that based on the post bid revision of scope of work, had the work been retendered, there was a chance of increasing the profit. Secretary, Ayush acknowledged the Committee view.

43. The Committee being not satisfied with the reply of the Government, directed the Department to furnish detailed report, after examining the concerned file regarding the proposal that Force delivery vans are better equipped than Force delivery ambulances for conversion into ALS ambulances; reasons for such a proposal; which all reasons/criteria on which government took such a decision; whether any profit /savings has been obtained; since conversion of Force delivery van was easier than that of Force ambulance whether the rates were reduced than that was quoted in tender; the reason for not retendering when there was post bid revision of the scope of work; on what /which basis special Government rates for purchase of Force delivery vans were arrived at and persons responsible for providing such an undue benefit to operating agency.

Notes furnished by the Government on the additional information called forth by the Committee is included in Appendix II.

Conclusions/Recommendations

44. The Committee acknowledge the fact that there was a profit of ₹ 40 lakhs on re-equipping the Force delivery vans into ALS ambulances. But the Committee points out that if the purchase of Force delivery vans for re-equipping into ALS ambulances had been retendered, the margin of profit would have increased.

45. The Committee being not at all satisfied on the Government reply regarding the procurement of Force delivery vans for converting it into ALS ambulances directs the Government to furnish detailed reply explicitly explaining the reasons for not retendering when there was post bid revision of the scope of work. The Committee wants to know the basis on which special Government rates were arrived at for the purchase of Force delivery vans by DHS. The Committee also directs to take action against those responsible for arriving at such special Government rates in violation of provisions of rule.

[Audit paragraph 5.1.4.2 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4.2 Operational safety of ambulances

Section 52 of the Motor Vehicles (MV) Act 1988 prohibited structural alteration of vehicles for registration purposes. As the State was operating ambulance services by converting delivery vans used for transporting purposes into ALS ambulances, the Transport Commissioner (TC) granted only provisional registration instead of permanent registration to these vehicles on the ground that alteration of a goods vehicle to a passenger vehicle was in violation of Section 52 of MV Act 1988 and Rule 126 of Central Motor Vehicles Rules 1989. GOI instructed (August 2010) the State to get the altered vehicles examined for safety, with reference to the homologation¹⁰ certificate issued by M/s. Automotive

10 Type Approval/Homologation certification is granted to a product that meets minimum set of regulatory technical & safety requirements as notified by the respective Government. The certification is a must, before a new/modified product is launched commercially. Type approval/Homologation is a customised service and the terms and conditions vary from country to country.

Research Association of India¹¹, Pune (ARAI) for ambulances, for granting exemption from the provisions of Section 52 of the MV Act 1988. The agreement executed with Aeon for conversion of vehicle also did not have a Clause on obtaining safety certificate from the authorities. TC stated (July 2014) that despite repeated instructions, DHS failed to produce these ambulances for inspection. Exemption from Section 52 of the MV Act 1988 was also not obtained and these ALS ambulances continue to run without being certified for safety (July 2014).

The fabricating and equipping of Force delivery vans at a cost of ₹ 13.15 crore foregoing the safety aspects resulted in one ALS ambulance destroyed in a fire accident (October 2011) reportedly due to an electrical short circuit resulting in the death of two people (grandparents accompanying a child patient) who were trapped in the burning ambulance.

The GOK needs to fix responsibility of officials at fault for violations as indicated above.

Notes received from the Government on the above audit paragraph is included as Appendix II.

Excerpts from discussion of committee with officials concerned.

46. The Committee asked whether exemption from Sec. 52 of MV Act has been obtained for the converted ambulance. The Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. replied that temporary registration was received from Motor Vehicle Department during that period and the motor vehicle department had granted only provisional registration instead of permanent registration to these ambulances because of two instances of accidents that happened due to technical issues. She added that after receiving the exemption from State Motor Vehicles department, ambulances are now running on permanent registration. The Committee enquired whether it was the State Government that grants such an exemption. The Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. answered that the exemption granting authority is Central Government but the State Motor Vehicles Department itself gave the exemption and then the vehicles got the permanent registration.

11 A co-operative industrial research association established by the automotive industry with the Ministry of Industries, Government of India.

47. The Committee pointed out that in the Government reply there was no details regarding permanent registration and wanted to know whether Technical examination has been conducted by M/s. Automotive Research Association of India Ltd., (ARAI) Pune as per Sec.52 of the Motor Vehicle Act, before granting exemption. The Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. replied that exemption was granted to them on the basis of homologation certificate issued by ARAI.

48. The Committee pointed out that audit objection arised mainly about homologation certificate, provisional registration and about exemption from Sec.52 of Motor Vehicle Act but the department did not give any clarification about homologation certificate and the details of permanent registration in their reply. The Committee directed the department to submit a detailed report on whether homologation certificate for ALS ambulance has been received after technical examination and safety checks and whether permanent registration has been obtained.

Notes furnished by the Government on the additional information called forth by the Committee is included in Appendix II.

Conclusion/Recommendation

49. The Committee understands that the ambulances have received permanent registration under Motor Vehicles Department but the reply does not clarify whether homologation certificate was obtained after technical examination by ARAI. The Committee directs the department to submit a detailed report on whether homologation certificate for ALS ambulance was issued by ARAI after technical examination and safety checks.

[Audit paragraph 5.1.4.3 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4.3 Undue favour to the operating agency

The Request for Proposal (RFP) notification issued by the SHFWS (January 2009) to implement the project in Thiruvananthapuram district indicated the duration of the project as three years. Four agencies expressed interest in the

project and the lowest bid submitted by ZHL was accepted. The SMD executed (October 2009) an agreement with ZHL for operating 25 ambulances in Thiruvananthapuram district for three years (16-10-2009 to 15-10-2012) at an operational cost¹² of ₹2.97 crore per year. Even though the agreement was entered into on 16-10-2009, the project was launched in the district only on 19th May 2010. The agreement was later extended up to 15-10-2013.

Audit examined the price bids furnished by all the three shortlisted firms. It was noticed that unlike the other two firms which had quoted annual increase in operational expenses, the rate quoted by ZHL was for only one year and did not contain any condition for yearly increase in operational expense for the subsequent two years. As ZHL had not quoted any condition for yearly increase of operational cost in their price bid, the single rate quoted by the firm for the first year of operation (19 May 2010 to 18 May 2011) was applicable for the subsequent years also, without allowing any yearly increase, as per the terms of the tender. However, the SHFWS, represented by the State Mission Director, NRHM incorporated a condition¹³ in the agreement indicating that yearly operational expenses (after one year of operation) would be increased on the basis of Consumer Price Index (CPI) and prevailing average increase in similar contracts in other States, which was contrary to the tender conditions. Thus the insertion of the said condition relating to yearly increase was unjustified.

Audit further observed that the GOK appointed (October 2011) the same agency ZHL, as the operating agency for KEMP in Alappuzha district also, on the same payment terms as applicable for Thiruvananthapuram and the agency performed its activities in Alappuzha district from 21 April 2012 to 15 October 2013.

Audit observed that incorporating the clause permitting yearly increase in rate which was not justified resulted in undue benefit to the firm and corresponding loss to state exchequer of ₹ 78.03 lakh.

12 Operation cost as per the agreement includes salary of call centre staff and ambulance staff for 24 hours, maintenance cost of ambulance, ambulance operation cost including fuel, recruitment, training and administration, cost of consumables up to 10 persons/ambulance/day, maintenance and operation of call centre including telephone power and water charges

13 Clause 9 of agreement

GOK stated (October 2014) that modified draft agreement was not submitted to it for approval. Thus, incorporating a condition in the agreement favourable to the agency to increase the rate yearly, which had not been quoted by the firm in their financial bid, not only vitiated the tender process but also amounted to undue favour of payment to the tune of ₹ 78.03 lakh which calls for investigation followed by fixing of responsibility for such an irregular action.

Notes received from the Government on the above paragraph is included as Appendix II

Excerpts from discussion of committee with officials concerned.

50. Regarding the audit observation, the Committee enquired whether any responsibility had been fixed for giving the undue benefit of ₹78.03 lakh to the operating agency by allowing annual increase in operational expenses which was not quoted in the financial bid. The witness Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. replied that the decision was taken on the 5th governing body meeting of State Health Family Welfare Society presided by the Hon'ble Minister for Health & Family Welfare and the contract period of tender for the firm was for three years.

51. The Committee pointed out that the tender had been quoted for a particular contract period and Government had given an enhancement for that period which was not included in the conditions of contract. The Committee suggested that the department should furnish a report which include details showing the decision of 5th Governing body meeting of State Health and Family welfare society, whether the decision was justifiable, if so, the reason for justification and persons responsible for giving an undue benefit of ₹78.03 lakhs even though the condition for enhancement of annual operational cost was not included in the price bid.

Notes furnished by the Government on the additional information called forth by the Committee is included in Appendix – II.

Conclusion/Recommendation

52. The Committee understands that an undue favour of ₹ 78.03 lakh has been granted to operating agency M/s. Ziqitza Health Care Ltd. by incorporating a condition in the agreement to increase operational expense yearly on the basis of Consumer Price Index (CPI) and prevailing average increase in similar contracts in

other state even when it was not included in the price bid of the agency. The Committee is not satisfied with the reasoning of Government that though the operating agency which was given the contract has not quoted yearly increase in the tender, the rate quoted by other bidders in tender was very high compared to the operational cost quoted by the agency. The Committee opines that the enhancement in expense given on the basis of decision of the Governing body is not justifiable. Though the Committee strongly expresses its displeasure over the undue favour given to the operational agency, taking into consideration that the yearly increase of expense quoted by other bidders was very high compared to enhancement given to the LI bidder and that only one time increase was given during three years of operation, the Committee decides to drop further action with a stern warning to the Department not to repeat such violations in future.

[Audit paragraph 5.1.4.4 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4.4 Payments made for additional kilometres run

As per the price bid furnished by ZHL in response to RFP issued in January 2009, recurring expenses (including fuel and maintenance charges for 2000 kilometres per ambulance per month) for all 25 ambulances for one year was ₹2.97 crore. The financial bid submitted by the firm did not stipulate rate for additional kilometres over 2000 kilometres. However, agreement entered into between ZHL and SHFWS (October 2009) incorporated a provision for payment of additional operational costs for any additional kilometre covered above 2000 kilometres per ambulance per month. It provided for payment of additional operational costs for additional kilometres covered above 2000 kilometres to be calculated at the average price of ZHL in running the ambulances for 2000 kilometres. Implementation of the project in Alappuzha district (April 2012 up to 15 October 2013) was also awarded to the same agency reckoning an annual recurring expenditure of ₹ 2.30 crore with 18 ambulances on the same payment terms and conditions. Payment of ₹ 7.50 crore was made to ZHL by SHFWS as on 15 October 2013 towards additional costs for operating the ambulances in Thiruvananthapuram and Alappuzha during August 2010 to 15 October 2013, when the contract with ZHL concluded.

Scrutiny of records relating to payments made to ZHL revealed that the agency was paid additional operational costs for each kilometre at the rate of ₹ 49¹⁴ for the period 2010-11¹⁵ and at the rate of ₹ 53¹⁶ for the period 2011-2013¹⁷. Audit noticed that instead of reckoning the additional operational costs payable to ZHL on the basis of average cost in running the ambulances, the additional rate was arrived at by taking into account the average monthly operational cost which included the salary to call centre and ambulance staff, maintenance and operational costs of call centre including power, telephone and water charges, etc.

As the average cost of ZHL in running the ambulances was not available on record, Audit made a comparison of the additional operational cost paid to ZHL during 2010-13 (₹ 49 and ₹ 53 per additional kilometre) and payment allowed to GVK-EMRI, the operators of the project from October 2013 (₹ 15 per additional kilometre for distance covered above 3000 kilometre). It was seen that while the base rate per kilometre per ambulance for ZHL was ₹ 49 from August 2010 to 18 May 2011 and ₹ 53 from 19 May 2011 to October 2013, it was ₹ 39 in the case of GVK-EMRI from October 2013. GVK-EMRI had claimed only ₹ 15 per additional kilometre. Allowing a much higher rate (₹ 49 and ₹ 53) for an additional kilometre resulted in undue payment of ₹ 5.35 crore¹⁸ till 15 October 2013 to the ZHL.

While giving reply, GOK admitted (October 2014) that the salary of staff remains the same for a month, but other expenses like consumables (Medicines and Oxygen), maintenance of the vehicle, etc. had to be borne by the firm. It also stated that there were no previous records to refer and based on experience gained in running the scheme, the rate for extra kilometre was later kept at ₹ 15 per kilometre.

14 For Thiruvananthapuram upto 18/5/2011. 1st year's operational cost (₹296.70 lakh) = ₹ 49.45
12 months X 25 ambulances X 2000 km

15 August 2010 to 18 May 2011

16 For Thiruvananthapuram from 1-6-2011 to 15-10-2013 & Alappuzha from 1-4-2012 to 15-10-2013
2nd year's operational cost for Thiruvananthapuram (₹319.12 lakh) = ₹53.18
12 months X 25 ambulances X 2000 km

1st year's operational cost for Alappuzha (₹229.77 lakh) = ₹53.18
12 months X 18 ambulances X 2000 km

17 19 May 2011 to 15 October 2013

18 Calculated at the current rate of additional cost agreed upon by M/s.GVK-EMRI for implementing the project from 16 October 2013 onwards

Thus, as the agreement condition provided for payments of running expenses of ambulances only for beyond 2000 kilometres, the payment of additional operational cost for beyond 2000 kilometres at ₹ 49 and ₹ 53, which included elements of salary and other administrative expenses also resulted in avoidable payment of ₹ 5.35 crore which calls for fixing of responsibility for failure to apply the right method of calculation leading to undue favour to the agency.

Notes received from the Government on the above audit paragraph is included as Appendix II

Excerpts from discussion of committee with officials concerned.

53. To the Committee's query on the audit objection about payment made for additional kilometers run, the Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. replied that while entering into an agreement with Ziqitza Health Care Ltd. for the pilot project at Thiruvananthapuram, the state of Kerala had no experience in operating such a project and there were no previous data to forecast how many kilometers these vehicles would run monthly. She added that there was a specific clause in the MOU that SHFWS shall pay additional operational cost for each ambulance calculated at the average cost of operating agency, M/s. Ziqitza, in running ambulances for 2000 kilometers. Any additional kilometers covered above 2000 kilometres per ambulance per month, the operating agency shall work towards optimal efficiency in the running of the ambulances. The governing body, the final decision making body of SHFWS, approved and ratified the MOU.

54. The Committee asked about how the additional operational cost was calculated citing the AG's remarks that it was ₹49/km for the period 2010-11 and ₹ 53/km for 2011-2013. To the Committee's query the General Manager Kerala Medical Services Corporation Ltd. replied that ZHL had quoted ₹ 98,500 in the first year which was divided by 2000 k.m. to get the additional operational cost per kilometer and the same method of calculation was applied for second year too.

55. The Committee directed the department to furnish detailed report including the factors considered for calculating the additional operational cost; whether the additional operational cost included salary elements of staff and other

administrative expenses and reasons for including the condition of additional operational cost in the agreement when it was not even mentioned in the financial bid submitted by the firm.

Notes furnished by the Government on the additional information called forth by the Committee is included in Appendix II.

Conclusions/Recommendations

56. The Committee finds that the inclusion of the condition of additional operational cost in the agreement has resulted in avoidable payment of ₹ 5.35 crore to the operating agency. The Committee opines that the condition of additional operational cost in the agreement could have been avoided as it was not even included in the financial bid submitted by the agency. The Committee directs the department to take strict measures to avoid such lapses in future.

[Audit paragraph 5.1.4.5 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4.5 Non-imposition of penalty

Implementation of KEMP in the State with effect from 16 October 2013 was awarded to GVK-EMRI, Hyderabad at an agreed operational cost of ₹1.17 lakh per ambulance per month. The KMSCL paid (in April/May 2014) ₹3.02 crore¹⁹ to the agency towards the operating cost pertaining to the period 16 October 2013 to 15 April 2014.

As per the terms of agreement executed between KMSCL and GVK-EMRI, only five per cent of the fleet could be off road²⁰, failing which KMSCL was to deduct penalty of an amount equal to double the operating expense applicable at the time of the contract for the non-performing ambulances for that period²¹. Test check of the Management Information System (MIS) data for the month of December 2013 revealed that 21 *per cent* (nine numbers) of the 43 ambulances (25 in Thiruvananthapuram and 18 in Alappuzha districts) were off road as against the permissible five per cent (two numbers). Cases of ambulances being off road

19 117000 x 43 Nos x 6 Months

20 Clause XXIV

21 Clause XIV (ii)

for a few days during other months were not reckoned. Thus, KMSCL failed to recover at least ₹ 16.38 lakh as penalty from the agency resulting in undue benefit to the agency.

GOK stated (October 2014) that the initial contract with GVK-EMRI was for a period of six months from 16 October 2013. Since the extension of agreement beyond six months was delayed, GOK decided to extend the period of operation of GVK-EMRI for a further period of three months. GOK stated that all pending payments were released to GVK-EMRI since the agency insisted on clearance of their dues before commencement of services. The reply is unacceptable as GOK needed to only pay what was due as per the terms of the agreement. Payment for ambulances that were off-road beyond permissible limits was irregular.

Notes received from the Government on the above audit paragraph is included as Appendix II.

Excerpts from discussion of committee with officials concerned.

57. To a query about non-imposition of penalty, the General Manager Kerala Medical Services Corporation Ltd. answered that penalty of Rs. 1.06 crore had been deducted from M/s. GVK-EMRI for the non operation of the ambulances and non functioning of GPS devices, including equipments and maintenance, since the commencement of their operation. He added that penalty had not been levied at the time of audit as the final accounts were not settled.

Conclusion/Recommendation

58. No Comments.

[Audit paragraph 5.1.4.6 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.4.6 Non-adherence to other contractual provisions

Contractual provisions regarding setting up of voice logger system, setting up and maintenance of emergency response system and manpower required, were complied with by ZHL. Records produced to audit indicated that ZHL provided stipulated training programme to doctors, paramedical staff, etc. However, conditions requiring ZHL to maintain separate financial records of its operation in

Kerala to be audited by a Chartered Accountant as approved by SHFWS and furnished to SHFWS by the end of the 1st quarter of succeeding year was not complied with.

GOK replied (October 2014) that in the tender model, there is no relevance for auditing the funds of the agency.

The reply is not acceptable as this resulted not only in non-compliance with the terms of agreement but also led to many such other implications as stated in preceding paragraphs.

Notes received from the Government on the above audit paragraph is included as Appendix – II.

Excerpts from discussion of committee with officials concerned.

59. To a query about non-adherence to other contractual provisions the Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. said that it was a tender model and not a reimbursement model. Kerala had opted for tender model in which operating agency would quote an amount for the operation of the project and Government would pay the fixed amount which the LI bidder quoted per month per ambulance and operating agency has to operate the project within the limit of the amount quoted by them. Therefore there was no need of checking the Books of accounts of the operating agency. The Committee accepted the reply.

Conclusions/Recommendations

60. No Comments.

[Audit paragraph 5.1.5 & 5.1.5.1 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.5 Monitoring

5.1.5.1 IT based monitoring

The SMD, NRHM decided to implement an IT based solution for monitoring the extra kilometre run by the ambulances. However, as of March 2014, the IT based solution was not developed. As such, there was no effective mechanism in place in the Department to ensure accuracy in the agency's claim on distance covered while making payments.

GOK replied (October 2014) that for implementing this, new software and hardware have to be incorporated in the present system for which no funds were allotted. It was also stated that this has been included as a clause in the new tender to have an Automated IT based solution to find out the distance covered and penalty calculation by the system.

Notes received from the Government on the above audit paragraph is included as Appendix II.

Excerpts from discussion of committee with officials concerned.

61. The Committee's query about IT based monitoring, the Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. answered that the department implemented the IT based monitoring which includes the data about per day call log, distance covered, time spent, vehicle tracking etc.

The Committee approved the reply.

Conclusion/Recommendation

62. No Comments.

[Audit paragraph 5.1.5.2 & 5.1.6 contained in the Report of C&AG of India for the year ended 31st March 2014 (General & Social Sector)]

5.1.5.2 State level/District level committee meetings

Agreements executed between ZHL and SHFWS/KMSCL stipulated that the SHFWS was responsible for convening and holding meetings of the state level committee once in three months under the patronage of Health Minister, to monitor the operations of the KEMP. It was the responsibility of the District Health and Family Welfare Society to convene district level meetings with the District Collector as Chairman.

Audit noticed that the state level committee, though constituted in September 2009 had not met even once. While the district level committee in Thiruvananthapuram district met only once during October 2009-March 2014, the district level committee in Alappuzha met only four times during April 2012 - March 2014.

GOK stated (October 2014) that since the project was not extended to the entire State, meeting of the state level committee was not conducted. It was also stated that reasonable number of district level meetings were conducted at Alappuzha and interaction on regular basis on the problems associated with the operation of KEMP in Thiruvananthapuram district were conducted among District Medical Officer (Health), District Programme Manager, KMSCL and NRHM. This contention is not correct in view of the fact that the primary objective behind holding meetings of the state level committee was to monitor the commissioning and operations of KEMP in the State. Delay in expanding the project to the other districts in the State could be attributed to failure to convene the state level committee meetings. The intention about constitution of district level committee was to ensure periodical collective evaluation of the implementation of the project in the district and not individual interaction in solving day to day affairs.

5.1.6 Conclusion

The project was launched with the commendable objective of providing emergency ambulance services to the needy, free of cost. Agencies, entrusted with delivering 24x7 services however failed to attend to 28102 calls due to non-availability of vehicles. In 54.48 per cent of cases test checked, response time of ambulances was much beyond the stipulated 10 minutes.

The project was implemented only in Thiruvananthapuram and Alappuzha districts. Laxity of the department resulted in the project not being extended to other districts, despite availability of funds. KMSCL allowed much higher rate for additional kilometres run beyond 2000 kilometres. Instances of flouting tender procedures in the procurement of delivery vans and fabrication of the same into ambulances were noticed. Violation of contractual provisions resulting in undue benefits to the agencies was also noticed. The delivery vehicles were converted as ambulances without reckoning the safety aspects of ambulances vis-a-vis delivery vans. The State level committee to monitor implementation of the project in the State did not meet even once.

Notes received from the Government on the above audit paragraph is included as Appendix II.

Excerpts from discussion of committee with officials concerned.

63. The Committee enquired whether state level committee meeting had been convened. The Secretary, Ayush Department & Managing Director Kerala Medical Services Corporation Ltd. replied that the state level committee had already been convened and meeting was convened in 2010 with Health Minister as Chairman. The Committee expressed its dissatisfaction over the Government replies that "Since the project was not extended to entire districts of Kerala, the State level Committee with high ranking officials of the state has not been convened" which was contradictory to Secretary's reply. The Committee wanted to clarify the statement made by the Secretary. The Committee directed the department to furnish a revised reply in the matter.

64. The Committee concluding the witness evidence directed the department to submit all further clarification replies immediately.

Conclusion/Recommendation

65. The Committee directs the department to furnish detailed reply regarding the meetings of State level/District level committee convened in connection with the implementation of Kerala Emergency Medical Service Project (KEMP).

Thiruvananthapuram
14th January, 2021.

V. D. SATHEESAN,
Chairman,
Committee on Public Accounts.

APPENDIX I

SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATION

Sl. No.	Para No	Department Concerned	Conclusion/Recommendation
1	2	3	4
1	27	Health and Family Welfare Department	The Committee upon analysing the statement of additional information submitted by the department which stated that the implementation of project got delayed because of litigations observed that apart from the litigations it was the negligence, lapse and lack of thorough background study on the part of department which kept ambulances idling after months of procuring it.
2	28	Health and Family Welfare Department	The Committee expresses its strong displeasure over the idling of ALS ambulances for more than a year after purchasing them with disgust Committee acknowledge the fact that the lapses already occurred in implementing the ambulance service could not be remedied. Therefore the Committee directs the department to be very cautious to avoid such lapses in future.
3	36	Health and Family Welfare Department	The Committee observes that changes proposed in the mode of operation as per the direction of Government has led to changes in prequalification criteria in the implementation of KEMP. The Committee opines that the delay in fixing the operation mode of Ambulances has led to delay in the expansion of the project (KEMP) to other districts in the state even after 2 years despite availability of funds. The Committee directs the department to furnish a detailed report regarding the current status of the amount released for implementation of KEMP and whether the project has been implemented in all districts of Kerala.

1	2	3	4
4	44	Health and Family Welfare Department	The Committee acknowledge the fact that there was a profit of ₹ 40 lakhs on re-equipping the Force delivery vans into ALS ambulances. But the Committee points out that if the purchase of Force delivery vans for re- equipping into ALS ambulances had been retendered, the margin of profit would have increased.
5	45	Health and Family Welfare Department	The Committee being not at all satisfied on the Government reply regarding the procurement of Force delivery vans for converting it into ALS ambulances directs the Government to furnish detailed reply explicitly explaining the reasons for not retendering when there was post bid revision of the scope of work. The Committee wants to know the basis on which special Government rates were arrived at for the purchase of Force delivery vans by DHS. The Committee also directs to take action against those responsible for arriving at such special Government rates in violation of provisions of rule.
6	49	Health and Family Welfare Department	The Committee understands that the ambulances have received permanent registration under Motor Vehicles Department but the reply does not clarify whether homologation certificate was obtained after technical examination by ARAI. The Committee directs the department to submit a detailed report on whether homologation certificate for ALS ambulance was issued by ARAI after technical examination and safety checks.
7	52	Health and Family Welfare Department	The Committee understands that an undue favour of ₹ 78.03 lakhs has been granted to operating agency M/s. Ziqitza Health Care Ltd. by incorporating a condition in the agreement to increase operational expense yearly on the basis of Consumer Price Index (CPI) and prevailing

1	2	3	4
			<p>average increase in similar contracts in other state even when it was not included in the price bid of the agency. The Committee is not satisfied with the reasoning of Government that though the operating agency which was given the contract has not quoted yearly increase in the tender, the rate quoted by other bidders in tender was very high compared to the operational cost quoted by the agency. The Committee opines that the enhancement in expense given on the basis of decision of the Governing body is not justifiable. Though the Committee strongly expresses its displeasure over the undue favour given to the operational agency, taking into consideration that the yearly increase of expense quoted by other bidders was very high compared to enhancement given to the LI bidder and that only one time increase was given during three years of operation, the Committee decides to drop further action with a stern warning to the Department not to repeat such violations in future.</p>
8	56	Health and Family Welfare Department	<p>The Committee finds that the inclusion of the condition of additional operational cost in the agreement has resulted in avoidable payment of ₹ 5.35 crore to the operating agency. The Committee opines that the condition of additional operational cost in the agreement could have been avoided as it was not even included in the financial bid submitted by the agency. The Committee directs the department to take strict measures to avoid such lapses in future.</p>
9	65	Health and Family Welfare Department	<p>The Committee directs the department to furnish detailed reply regarding the meetings of State level/District level committee convened in connection with the implementation of Kerala Emergency Medical Service Project (KEMP).</p>

GOVERNMENT OF KERALA

HEALTH AND FAMILY WELFARE (M) DEPARTMENT

STATEMENT OF ACTION TAKEN ON THE RECOMMENDATIONS CONTAINED IN THE AUDIT REPORT (GENERAL AND SOCIAL SECTOR) FOR THE YEAR ENDED 31st MARCH 2014.

PARA NO	RECOMMENDATION	ACTION TAKEN BY THE GOVERNMENT																																																	
5.1.3	Service Delivery																																																		
5.1.3.1	<p>Denial of calls i.e.not-providing required ambulance services The KEMP was aimed at providing 24x7 pre-hospital emergency medical response (ambulance) service all over the State free of any charge to the distressed persons. Table 5.2 gives the details of calls made by the distressed persons and the required ambulance services proved or not. Table 5.2 details of calls received and attended</p> <table border="1"> <thead> <tr> <th>Period</th> <th>Total calls received at ERC</th> <th>No of calls attended (including inter-facility transfers at Col.6)</th> <th>No of Cancelled calls</th> <th>No. of denied calls</th> <th>No. of Inter-facility transfers</th> <th>NO. of unattended calls (including denied calls) Col.2-(3+4)</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> </tr> </thead> <tbody> <tr> <td colspan="7">Details of calls recorded by ZHL</td> </tr> <tr> <td>May 2010 to 15 October 2013</td> <td>1675353</td> <td>100027</td> <td>15010</td> <td>27370</td> <td>45417</td> <td>1560316</td> </tr> <tr> <td colspan="7">Details of calls recorded by GVK-EMRI</td> </tr> <tr> <td>16 October 2013 to March 2014</td> <td>192155</td> <td>16318</td> <td>2617</td> <td>732</td> <td>4738</td> <td>173220</td> </tr> <tr> <td>Grand Total</td> <td>1867508</td> <td>116345</td> <td>17627</td> <td>28102</td> <td>50155</td> <td>1733536</td> </tr> </tbody> </table> <p>(Source: Date furnished by KMSCL)</p> <p>It can be seen from the above table that ambulance service was not provided in respect of 28102 calls during the period May 2010 to March 2014 due to non-availability of ambulances, GOK stated (October 2014) that the percentage of such calls was only 1.5 percent of</p>	Period	Total calls received at ERC	No of calls attended (including inter-facility transfers at Col.6)	No of Cancelled calls	No. of denied calls	No. of Inter-facility transfers	NO. of unattended calls (including denied calls) Col.2-(3+4)	1	2	3	4	5	6	7	Details of calls recorded by ZHL							May 2010 to 15 October 2013	1675353	100027	15010	27370	45417	1560316	Details of calls recorded by GVK-EMRI							16 October 2013 to March 2014	192155	16318	2617	732	4738	173220	Grand Total	1867508	116345	17627	28102	50155	1733536	<p>In the project KEMP a call to the control room is denied on the following situations</p> <ol style="list-style-type: none"> 1. Vehicle under repair or service. The vehicle at location is under repair or maintenance including preventive maintenance. 2. Vehicle busy The vehicle is busy taking a patient to higher hospital or on its way back to parking location away from the caller. 3. Hoax call The call will be rejected if found to be not genuine eg: kids calling. Calls from service not available areas (Districts other than Alappuzha and Thiruvananthapuram) and calls from neighbouring states (border districts of Tamilnadu) 4. Emergency validation failed The calls will be rejected by the control room for the cases in which the request has been made for non emergency cases. 5. Case assigned and cancelled by caller before
Period	Total calls received at ERC	No of calls attended (including inter-facility transfers at Col.6)	No of Cancelled calls	No. of denied calls	No. of Inter-facility transfers	NO. of unattended calls (including denied calls) Col.2-(3+4)																																													
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NOTES FURNISHED BY GOVERNMENT

APPENDIX II

the total calls received. it was further stated that patients taken by the 108 ambulances to secondary or district health institutions were mostly referred to Medical colleges which were far away from the parking locations of the ambulances. During such period, the services of such ambulances would not be available in that location for attending to emergency cases. It was also stated that in Alappuzha district, cases of denial of ambulance service occurred due to the fact that some of the cases were referred to hospitals and medical colleges situated in the neighbouring district e.g. Medical College, Kottayam.

The reply is not tenable as ambulances available at nearby places could have been deployed using the GPS and Automatic Vehicle Tracking and mobile Communication System as provided under clause 3 of the agreements with ZHL and GVK-EMRI. It was further observed that no efforts were made to address the deficiency of ambulances, despite four ambulances remaining unutilised during April 2012 to October 2014 as stated in paragraph 5.1.3.2 GOK's contention that the number of denied calls was only 1.5 percent of the total calls received cannot also be accepted since even a single call denied could put the life of patients at risk.

starting the ambulances

The case will be marked as denied case if the caller informs the control room that the service is not required before starting of the vehicle.

6. Service not approved (out of protocol)

The cases in which the caller asks for services like drop back to home or transfer from private hospital to another private hospital ie: all the calls which request services which cannot be given as per the protocol is marked as denied services.

7. Incomplete address and phone number

The cases in which the caller has provided incomplete or wrong telephone number the caller cannot be contacted and is marked as denied sometimes the Caller may not pick up the call during the dispatch, these calls are also marked as denied.

These are the situations in which service is denied to a caller. The total denial including the non availability of the ambulances due to the reasons 1 & 2 is only 1.5% of the total calls received at control room which was mainly due to the long running of the vehicles from the bases location. All the vehicles are fitted with GPS and mobile communication system. If the nearest vehicle is not available the second option is offered to the caller to shift the patient using another vehicle for which waiting time will be higher for the patient which may not be approved by the caller, and the case being marked as denied. The denied cases in the initial stages were too high as

the general public were not aware of the situations to request for the service and more number of requests has been received which were out of protocol. This situation has been reduced, in the initial years by awareness campaigns conducted among public by Ziqitza Health Care Ltd.

5.1.3.2 Idling of ALS ambulances

GOK ordered SHFWS (December 2008 and September 2009) to implement the KEMP in Thiruvananthapuram and Kannur districts. Director of Health Services (DHS) purchased 50 delivery vans which were converted to Advance Life Support (ALS) ambulances through M/s Aeon Medicals (Aeon) at a cost of Rs.16.90 crore. The ALS ambulances were received by DHS in March and April 2010. The project started functioning (May 2010) in Thiruvananthapuram district with 25 ambulances. Considering the density of population and the increase in accidents, GOK decided (May 2010) to allot the second set of 25 ambulances received in April 2010 to Alappuzha district in order to implement the scheme in Alappuzha instead of in Kannur district. However, these ambulances could be deployed in Alappuzha only from April 2012 due to delay in finalizing the tendering process. In the meantime, the 25 ambulances were deployed to various hospitals in the State in March 2011. Thus, these 25 ambulances were idling for one year from April 2010 when these were received to date of deployment to various hospitals viz. March 2011. As of October 2014, two ambulances were idling for 31 months (since April 2012) and two idling for 13 months since October 2013 as detailed in Table 5.3

SH&FWS has invited an EoI for the operation of KEMP in Alappuzha district on 05.05.2010. M/s Ziqitza Healthcare Ltd qualified as the L1 bidder and the Chairman Executive Committee invited them for a negotiation meeting on 27.07.2010. Ziqitza was not willing to reduce the operational expense from the originally quoted amount which was higher than the amount quoted for the operation at Thiruvananthapuram district. The Government vide letter dated 16.11.2010 cancelled the tender for the whole state except Trivandrum and asked to call for tender by amending the qualifying criteria suitably to encourage more competition, also asking to deploy 25 ambulances parked at Thycaud to major hospitals along the NH from Kollam to Kasargode recruiting EMT and Drivers on temporary basis providing training and mobile phones. A meeting was held on 17.12.10 in the chamber of Hon'ble Health Minister and it was decided to call for short tender for operating the 25 ambulances which were idling. A short tender has been called and Mr.M M Salim who participated in the tender filed a case in High Court of Kerala and as a result the Government issued orders to deploy these ambulances to different Government institutions along the highways of Kerala for operation using HMC fund available with

Table 5.3: Details of idling ambulances

Details of idling ambulances	Idling period
Out of 50 ambulances purchased in March/April 2010, 25 were deployed only in March 2011.	25 ambulances x 12 months from April 2010 to March 2011

<p>Four out of 25 ambulances deployed in March 2011 were idling from April 2012. Two out of these four issued as back up ambulances in April 2014, remaining two ambulances idling till date (October 2014)</p>	<p>2 ambulances x 24 months from April 2012 to March 2014 2 ambulances x 31 months from April 2012 to October 2014</p>	<p>those institutions. These vehicles were with the respective Government institutions till December 2011.</p> <p>An EoI has been invited on 12/12/2010 for the expansion of the project to the entire districts of Kerala and Ziqitza Health care has filed a writ petition in the High Court of Kerala. (WP(c) NO.37600/2010 dated 22.12.2010) against the finalization of the tender. On 07.03.2011 vide GO(Rt)NO.918/2011/H&FWD Government has directed NRHM to cancel all the tenders regarding KEMP and entrust KELTRON as the operating agency for the 25 ambulances being kept idle. In January 2012 KMSCL has been appointed as the Managing Agency for KEMP. On April 2012 the official inauguration of KEMP services was done at Alappuzha district with Ziqitza Health Care as the operating agency. KMSCL vide letter NO:KMSCL/EP/208/2012 dated 13.10.2012 has suggested to operate the remaining 4 ambulances in the High Way in Kollam district by connecting 108 control room and police control room. Though H&FWD has forwarded it to State Police Chief, no order or suggestions have been received in this regard. Hence the delay has happened due to litigations and unexpected incidents but not because of the deficiencies in planning.</p>
<p>2 ambulances received in October 2013 in lieu of two out of the ₹50 purchased in March 2010 which got destroyed in a fire accident were idling from October 2013 date (October 2014)</p>	<p>2 ambulances x 13 months from October 2013 to October 2014</p>	
<p>Thus, non-deployment of ambulances in a timely lead to the idling of four ambulances for 13 to 31 months as of October 2014 and denial of services to the public. GOK replied (October 2014) that a proposal to operate the four ambulances on the highway in Kollam district is under consideration.</p>		
<p>5.1.3.3</p>	<p>Response time of Ambulances</p> <p>As per project guidelines of GOK (January 2009) ambulance service (108) under KEMP should respond to calls and reach at the required spot within 10 minutes of alert. Audit test checked the response time of ambulances for five months⁸². It was noticed that on an average, 45.52 per cent calls were attended to within 10 minutes. However, the response time was beyond 10 minutes in 54.48 per cent of the cases. This included 23.08 per cent of calls which were attended to after 15 minutes. Failure to</p>	<p>The average response time for the KEMP ambulances is 14.52 minutes for the past one year ie for urban areas 13.57 and for rural areas it is 14.37. As per the draft guidelines issued by MOH&FW in 2013 there should be one BLS ambulance for one lakh population and one ALS ambulance for 5 Lakh population. As per this, at</p>

	<p>respond within stipulated time posed risks to the needy and is a cause for concern.</p> <p>GOK stated (October 2014) that shortage of ambulances contributed to increase in response time. It was also stated that as per the experience from the pilot project, the average response time had been kept as 15 minutes for urban areas, 25 minutes for rural areas and 30 minutes for hilly and difficult terrains in the latest tender. The reply fails to explain why GOK did not utilise the four ambulances which were idling during the period as mentioned in paragraph 5.1.3.2 above which could have improved the response time.</p>	<p>Thiruvananthapuram district there should be 33 BLS ambulances and 6 ALS ambulances. The original requirement is 39 ambulances for Thiruvananthapuram district, the actual number of ambulance deployed at Thiruvananthapuram district is only 25 for the service of 33 lakh population. The available 25 ambulances are parked at different strategic locations to cover the entire district. The shortage of 14 ambulances at Thiruvananthapuram district and 7 ambulances at Alappuzha district has contributed to the increase in response time. In the tender invited to provide service on a pilot basis at Thiruvananthapuram district in 2009 a response time of 10 minutes has been kept in good interest. The draft guidelines released by MOH&FW in 2013 the response time has been kept as 10 minutes for well planned urban areas 20 minutes for rural areas and 40 minutes for difficult terrain. In normal condition considering the number of vehicles, traffic, conditions of the roads and distance from the parking location it is humanly impossible to keep a response time of 10 minutes in every case. As per the experience from the pilot project the average response time has been kept as 15 minutes for urban areas 25 minutes for rural areas and 30 minutes for hilly and difficult to reach terrains in the latest tender.</p>
5.1.3.4	<p>Implementation of KEMP in other districts in the State</p> <p>The DHS submitted (June 2012) a proposal to GOK for extending the project to all districts at a total cost of `45.15 crore by purchasing 287 ambulances. GOK accorded (October 2012/83)</p>	<p>KMSCL has invited a tender in February 2014 for the expansion of KEMP to entire districts of</p>

	<p>administrative sanction to the proposal for `40 crore and the amount was released to NRHM in October 2012. As DHS again, submitted a proposal (July 2013) for release of `10 crore for extending the project to Pathanamthitta and Wayanad districts, GOK released `10 crore to DHS in September 2013. These amounts were transferred to KMSCL (`40 crore in March 2013 and `10 crore in January 2014) and are still remaining unspent (October 2014).</p> <p>The sanction for procurement of 287 ambulances was granted by GOK only in February 2014. GOK decided (February 2014) to invite tenders for supply of vehicles, fabrication and installation of equipment and also for the selection of operating agency for the project. KMSCL invited (February 2014) tenders for selecting operators for implementing the project in all districts of the State. The tender was later cancelled (June 2014) by GOK citing non-finalization of prequalification criteria and ordered retender with specific pre-qualification criteria after obtaining the views of Tender Finalization Committee.</p> <p>Thus, even after two years of envisaging the expansion plans and despite availability of funds since March 2013, the project was not extended to the other districts in the State. This resulted in blocking of `40 crore for over a year and `10 crore since January 2014 with KMSCL besides depriving the general public of the intended benefits.</p>	<p>Kerala and for the implementation of the JSSK project. The Government had constituted a Tender Formulation and Finalization Committee with SMD NRHM, MD, KMSCL and DHS as members. As per the recommendations of the committee the operator has to purchase the vehicles in their name and operate for five years, where the government doesn't have any capital expense. However Government has directed that the vehicles have to be purchased in the name of DHS hence the tender was cancelled and a new tender was called complying the directions of Government. The tender was cancelled as there was a change in the model of operation and not due to the non finalization of prequalification criteria. The prequalification criteria have to be changed as the model was changed.</p>
5.1.4	<p><u>Contract Management</u></p> <p>5.1.4.1 Procurement and Equipping of Ambulances into Advanced Life Support Ambulances.</p> <p>Article 51(v) of KFC stipulated that the terms of a contract once entered into should not be materially varied without the previous consent of the Government or the authority competent</p>	<p>The changing of Force ambulances to delivery van has only profited GOK. There was an</p>

to enter into the contract as so varied. Article 51 (ix) also stipulated that the Government servant who enters into a contract on behalf of Government and also his subordinates are responsible for strictly enforcing the terms of the contract and for ensuring that no act is done that would tend to nullify or vitiate the contract.

GOK conveyed sanction (September 2009) to the DHS for procurement of 25 ambulances each, for Thiruvananthapuram and Kannur districts at Directorate General of Supplies and Disposals (DGS&D) rates. These ambulances were to be equipped by KMSCL for conversion to ALS ambulances following due tender process. Supply orders were placed with M/s. Force Motors Ltd. for supply of 50 Force Traveller ambulances costing `6.55 lakh each at DGS&D rate. For fabricating and equipping these ambulances as ALS ambulances, Aeon was selected (September 2009) after following a competitive tender process.

After entering into the contract for equipping Force Traveller ambulances at a cost of `13.15 crore, Aeon informed KMSCL (October 2009) that these ambulances could not be equipped and converted into ALS ambulances. It recommended procurement of Force delivery vans instead of Force ambulances for conversion into ALS ambulances citing various reasons⁸⁴. Aeon also informed that there should be no change in their prices and that the same prices payable to it for conversion of ambulances should be paid for converting delivery vans into ALS ambulances. In a Purchase Committee meeting (October 2009), chaired by the State Mission Director (SMD), NRHM, the proposal to procure Force delivery vans was accepted. The meeting also authorised the State Health Transport Officer, Directorate of Health Services (SHTO, DHS) to negotiate with M/s. Force Motors Ltd., and finalise the rate for procurement of 50 delivery vans. Based on the letter received from Managing

approximate savings of Rs. 40 lakhs. More over the absence of windows in delivery van has prevented cutting and welding of the body which in turn has benefitted the vehicles in the long run (rusting of vehicles in the humid climate of Kerala). More over there were advantages in the doors, electrical systems and air conditioning of the vehicles. In the period when tender was called in 2009 Force motors did not have introduced base ambulance vehicles which can be converted into ALS. The only available option was converting the delivery van which was the industrial practice that time. However now Force motors have models of base ambulances which are suitable for ALS conversion. Since the conversion of ALS was done for the first time, tender was invited for converting ambulances into ALS instead of delivery vans. There was no post award revision of work stipulated in the tender. The purchase of the vehicles was not a part of the tender, which was done separately by DHS in special Government rates.

Director, KMSCL and SMD, NRHM, GOK approved (October 2009) cancellation of the earlier purchase order for supply of Force ambulances issued by the DHS and accorded sanction (November 2009) for purchase of 50 Force delivery vans for `2.81 crore at special Government rate without tendering. These delivery vans were converted and equipped as ALS ambulances by Aeon at a cost of `13.15 crore. DHS received these ALS ambulances in March-April 2010.

The procedure followed for procurement of 50 Force delivery vans without following due tender process and entrusting the SHTO, DHS to negotiate and finalise the rate lacked transparency and financial probity. Post bid revision of the scope of work on the advice of the private firm and awarding the work to them without calling for fresh competitive tender for the new work resulted in extending undue favour to Aeon. GOK should have reverted to retendering for giving equal opportunity to all potential bidders.

GOK stated (October 2014) that during the period when the tender was called (2009), M/s. Force Motors had not introduced base ambulance vehicles which could be converted into ALS ambulance. Hence, the only available option was converting delivery vans into ALS ambulances. This reply is not borne out by facts since M/s. Force Motors had submitted (July 2009) a proforma invoice for supply of Force Traveller ambulance at DGS&D rate, which was accepted by the DHS and supply order placed for 50 ambulances.

Action of the GOK was not in conformity with the provisions of the KFC, which calls for investigation followed by fixing of responsibility of persons at fault for violation of provisions of rules.

5.1.4.2 Operational Safety of Ambulances

Section 52 of the Motor Vehicles (MV) Act 1988 prohibited structural alteration of vehicles for registration purposes. As the State was operating ambulance services by converting delivery vans used for transporting purposes into ALS ambulances, the Transport Commissioner (TC) granted only provisional registration instead of permanent registration to these vehicles on the ground that alteration of a goods vehicle to a passenger vehicle was in violation of Section 52 of MV Act 1988 and Rule 126 of Central Motor Vehicles Rules 1989. GOI instructed (August 2010) the State to get the altered vehicles examined for safety, with reference to the homologation certificate issued by M/s. Automotive Research Association of India, Pune (ARAI) for ambulances, for granting exemption from the provisions of Section 52 of the MV Act 1988. The agreement executed with Aeon for conversion of vehicle also did not have a clause on obtaining safety certificate from the authorities. TC stated (July 2014) that despite repeated instructions, DHS failed to produce these ambulances for inspection. Exemption from Section 52 of the MV Act 1988 was also not obtained and these ALS ambulances continue to run without being certified for safety (July 2014).

The fabricating and equipping of Force delivery vans at a cost of ₹ 13.15 crore foregoing the safety aspects resulted in one ALS ambulance destroyed in a fire accident (October 2011) reportedly due to an electrical short circuit resulting in the death of two people (grandparents accompanying a child patient) who were trapped in the burning ambulance.

The GOK needs to fix responsibility of officials at fault for violations as indicated above.

The fire incident happened on 20/11/2011 with ambulance stationed at Kallara in which two persons accompanying a child who consumed kerosene has lost life. This has been enquired by the police department's forensic wing and any deficiencies regarding the safety features of the ambulance has not been reported. Only one of the ambulances has caught fire in one strange incident in which the patient transferred has consumed kerosene and the reasons for which is unknown. No similar kinds of incidents are reported other than this one at Kallara, so far during the entire period of operation.

5.1.4.3

Undue favour to operating agency

The Request for Proposal (RFP) notification issued by the SHFWS (January 2009) to implement the project in Thiruvananthapuram district indicated the duration of the project as three years. Four agencies expressed interest in the project and the lowest bid submitted by ZHL was accepted. The SMD executed (October 2009) an agreement with ZHL for operating 25 ambulances in Thiruvananthapuram district for three years (16.10.2009 to 15.10.2012) at an operational cost of ₹ 2.97 crore per year. Even though the agreement was entered into on 16.10.2009, the project was launched in the district only on 19th May 2010. The agreement was later extended up to 15.10.2013.

Audit examined the price bids furnished by all the three shortlisted firms. It was noticed that unlike the other two firms which had quoted annual increase in operational expenses, the rate quoted by ZHL was for only one year and did not contain any condition for yearly increase in operational expense for the subsequent two years. As ZHL had not quoted any condition for yearly increase of operational cost in their price bid, the single rate quoted by the firm for the first year of operation (19 May 2010 to 18 May 2011) was applicable for the subsequent years also, without allowing any yearly increase, as per the terms of the tender. However, the SHFWS, represented by the State Mission Director, NRHM incorporated a condition 88 in the agreement indicating that yearly operational expenses (after one year of operation) would be increased on the basis of Consumer Price Index (CPI) and prevailing average increase in similar contracts in other States, which was contrary to the tender conditions. Thus the insertion of the said condition relating to yearly increase was unjustified.

Audit further observed that the GOK appointed (October

No uniform guidelines for the operation of Emergency Medical Service ambulances was available in India, even in 2014. Only a draft has been made by the Ministry of Health & Family Welfare in 2013 which has not been approved. While the agreement with Ziqitza has been signed in 2009 the 108 project was in the initial stages and Kerala was one among the states to introduce the tender model for the operation of 108 ambulances in India. Most of the states operating that time were under MOU model. In MOU model whatever expenses the operating agency is incurring, the government used to reimburse that amount. All the Southern states except Kerala are operating in MOU model. Ziqitza was the lowest bidder who has quoted for the pilot project. While signing the agreement with Ziqitza in 2009 the state of Kerala has no experience in operating such a project and it was impossible to predict the distance these ambulances are going to ply. Though Ziqitza has not quoted the yearly increase in the tender the rate quoted by the other bidders were very higher compared to the operational cost quoted by Ziqitza. The operational cost offered by the L2 bidder for the first year was 5.9 crores more than what Ziqitza has quoted. Also the L2 bidder quoted 15.7% increase in operational cost for the second year. Where as we have given only an increase of 7.5% to Ziqitza for the second year. If the contract was awarded to L2 bidder, the cost of operation of the project might have been very higher compared to the payment made to Ziqitza.

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	<p>2011) the same agency ZHL, as the operating agency for KEMP in Alappuzha district also, on the same payment terms as applicable for Thiruvananthapuram and the agency performed its activities in Alappuzha district from 21 April 2012 to 15 October 2013.</p> <p>Audit observed that incorporating the clause permitting yearly increase in rate which was not justified resulted in undue benefit to the firm and corresponding loss to state exchequer of `78.03 lakh.</p> <p>GOK stated (October 2014) that modified draft agreement was not submitted to it for approval. Thus, incorporating a condition in the agreement favourable to the agency to increase the rate yearly, which had not been quoted by the firm in their financial bid, not only vitiated the tender process but also amounted to undue favour of payment to the tune of `78.03 lakh which calls for investigation followed by fixing of responsibility for such an irregular action.</p>	<p>Comparing the cost of diesel at the time of signing the agreement there was an increase of around 40 % at the end of the first year of operation which is one of the main expenses in the operation. During three years of operation only one time an increase of 7.5% has been given to Ziqitza.</p>
5.1.4.4	<p>Payments made for Additional kilometres run</p> <p>As per the price bid furnished by ZHL in response to RFP issued in January 2009, recurring expenses (including fuel and maintenance charges for 2000 kilometres per ambulance per month) for all 25 ambulances for one year was `2.97 crore. The financial bid submitted by the firm did not stipulate rate for additional kilometres over 2000 kilometres. However, agreement entered into between ZHL and SHFWS (October 2009) incorporated a provision for payment of additional operational costs for any additional kilometre covered above 2000 kilometres per ambulance per month. It provided for payment of additional operational costs for additional kilometres covered above 2000 kilometres to be calculated at the average price of ZHL in running the ambulances for 2000 kilometres. Implementation of</p>	<p>While entering into an agreement with Ziqitza Health Care Ltd for the pilot project at Thiruvananthapuram, the State of Kerala didn't have any experience in operating such a project. There were no previous records to refer whether how many kilometers these vehicles will run. So for the distance covering more than 2000 Kilometers an average cost for running 2000 kilometers were kept. The salary for the staff remains the same for a month, but the other expenses like consumables (Medicines & oxygen), maintenance of the vehicle etc, has to be borne by the agency apart from the fuel. From 16th October</p>

the project in Alappuzha district (April 2012 up to 15 October 2013) was also awarded to the same agency reckoning an annual recurring expenditure of `2.30 crore with 18 ambulances on the same payment terms and conditions. Payment of `7.50 crore was made to ZHL by SHFWS as on 15 October 2013 towards additional costs for operating the ambulances in Thiruvananthapuram and Alappuzha during August 2010 to 15 October 2013, when the contract with ZHL concluded.

Scrutiny of records relating to payments made to ZHL revealed that the agency was paid additional operational costs for each kilometre at the rate of `4989 for the period 2010-1190 and at the rate of `5391 for the period 2011-201392. Audit noticed that instead of reckoning the additional operational costs payable to ZHL on the basis of average cost in running the ambulances, the additional rate was arrived at by taking into account the average monthly operational cost which included the salary to call centre and ambulance staff, maintenance and operational costs of call centre including power, telephone and water charges, etc.

As the average cost of ZHL in running the ambulances was not available on record, Audit made a comparison of the additional operational cost paid to ZHL during 2010-13 (`49 and `53 per additional kilometre) and payment allowed to GVKEMRI, the operators of the project from October 2013 (`15 per additional kilometre for distance covered above 3000 kilometre). It was seen that while the base rate per kilometre per ambulance for ZHL was `49 from August 2010 to 18 May 2011 and `53 from 19 May 2011 to October 2013, it was `39 in the case of GVK-EMRI from October 2013. GVK-EMRI had claimed only `15 per additional kilometre. Allowing a much higher rate (`49 and `53) for an additional kilometre resulted in undue payment of `5.35crore93 till 15 October 2013 to the ZHL.

the rate has been fixed as Rs15/- per kilometer beyond 3000 km as the experience of the State in operating the project increased. Now the state has data which shows an average of kilometers these vehicles will run in these two districts. Based on this experience the kilometer ceiling has been kept as 3000/month/ambulance and the extra kilometer kept as Rs.15/- for additional kilometers.

	<p>While giving reply, GOK admitted (October 2014) that the salary of staff remains the same for a month, but other expenses like consumables (Medicines and Oxygen), maintenance of the vehicle, etc. had to be borne by the firm. It also stated that there were no previous records to refer and based on experience gained in running the scheme, the rate for extra kilometre was later kept at `15 per kilometre.</p> <p>Thus, as the agreement condition provided for payments of running expenses of ambulances only for beyond 2000 kilometres, the payment of additional operational cost for beyond 2000 kilometres at `49 and `53, which included elements of salary and other administrative expenses also resulted in avoidable payment of `5.35 crore which calls for fixing of responsibility for failure to apply the right method of calculation leading to undue favour to the agency.</p>	
5.1.4.5	<p>Non-Imposition of penalty</p> <p>Implementation of KEMP in the State with effect from 16 October 2013 was awarded to GVK-EMRI, Hyderabad at an agreed operational cost of `1.17 lakh per ambulance per month. The KMSCL paid (in April/May 2014) `3.02 crore⁹⁴ to the agency towards the operating cost pertaining to the period 16 October 2013 to 15 April 2014.</p> <p>As per the terms of agreement executed between KMSCL and GVK-EMRI, only five per cent of the fleet could be off road⁹⁵, failing which KMSCL was to deduct penalty of an amount equal to double the operating expense applicable at the time of the contract for the non-performing ambulances for that period⁹⁶. Test check of the Management Information System (MIS) data for the month of December 2013 revealed that 21 per cent (nine</p>	<p>Government vide letterNo:35073/M2/13/H&FWD dated 25/09/2013 has directed KMSCL to invite a short tender and to entrust the operation with a newly selected agency for a period of six months within 15th October 2013. It was intimated by KMSCL that it is impossible to finalize an operating agency within this short span of time as the new agency has to study about the location, terrain and modalities of operation and have to assess the conditions of the present vehicles and control room. In this juncture, M/S GVK EMRI has been selected as the operating agency from 15th October 2013. The same day all the call takers and dispatchers of the control room left the control</p>

	<p>numbers) of the 43 ambulances (25 in Thiruvananthapuram and 18 in Alappuzha districts) were off road as against the permissible five per cent (two numbers). Cases of ambulances being off road for a few days during other months were not reckoned. Thus, KMSCL failed to recover at least `16.38 lakh as penalty from the agency resulting in undue benefit to the agency.</p> <p>GOK stated (October 2014) that the initial contract with GVK-EMRI was for a period of six months from 16 October 2013. Since the extension of agreement beyond six months was delayed, GOK decided to extend the period of operation of GVK-EMRI for a further period of three months. GOK stated that all pending payments were released to GVK-EMRI since the agency insisted on clearance of their dues before commencement of services. The reply is unacceptable as GOK needed to only pay what was due as per the terms of the agreement. Payment for ambulances that were off-road beyond permissible limits was irregular.</p>	<p>room asking for salary hike. The new operating agency GVK EMRI was forced to take all the field staff who were revolting against the earlier operating agency Ziqitza. The new agency GVK EMRI took a reasonable time to identify the workshops in two districts and take back the operation to track. After six months of operation, during the month of April 2014 as the tender for the expansion of KEMP project was not finalized and the period of operation of GVK was over, it was decided to extend the contract with M/s. GVK EMRI for three more months. But M/s. GVK insisted for their pending payments to continue further and the withheld payments for the first quarter thus had to be released.</p>
5.1.4.6	<p>Non-Adherence to other contractual provisions</p> <p>Contractual provisions regarding setting up of voice logger system, setting up and maintenance of emergency response system and manpower required, were complied with by ZHL. Records produced to audit indicated that ZHL provided stipulated training programme to doctors, paramedical staff, etc. However, conditions requiring ZHL to maintain separate financial records of its operation in Kerala to be audited by a Chartered Accountant as approved by SHFWS and furnished to SHFWS by the end of the 1st quarter of succeeding year was not complied with.</p> <p>GOK replied (October 2014) that in the tender model, there</p>	<p>As the project started in 2009 this was one among the first tender model for the operation of 108 ambulances in India. No guidelines were available for the operation of the project. Similar project which were running in other parts of the country were based on MOU model. For reference the agreement made for this operation in other states has been taken for preparing the agreement in Kerala. In the MOU model Government has been refunding the cost of operation to the operating agency which was registered as a Trust (Nonprofit organization) and the accounts have been audited. In the tender model where no reimbursements are</p>

	<p>The reply is not acceptable as this resulted not only in non-compliance with the terms of agreement but also led to many such other implications as stated in preceding paragraphs.</p>	<p>made instead a fixed amount for the operation has been made per month per ambulance, the auditing of the funds of the operating agency has got no relevance. This clause has been removed from the tender which has been called for the expansion of the project to the entire state.</p>
5.1.5	<p>Monitoring</p>	
5.1.5.1	<p>IT based monitoring</p> <p>The SMD, NRHM decided to implement an IT based solution for monitoring the extra kilometre run by the ambulances. However, as of March 2014, the IT based solution was not developed. As such, there was no effective mechanism in place in the Department to ensure accuracy in the agency's claim on distance covered while making payments.</p> <p>GOK replied (October 2014) that for implementing this, new software and hardware have to be incorporated in the present system for which no funds were allotted. It was also stated that this has been included as a clause in the new tender to have an Automated IT based solution to find out the distance covered and penalty calculation by the system.</p>	<p>It has been suggested by the SMD NRHM to have an IT based solution for the monitoring of the extra kilometers. For implementing this, new softwares and hardware has to be incorporated to the present system. It has been included as a clause in the new tender called for to have an automated IT based solution to find out the distance covered by each vehicle and penalty calculation by the system.</p>
5.1.5.2	<p>State Level /District Level Committee meetings</p> <p>Agreements executed between ZHL and SHFWS/KMSCL stipulated that the SHFWS was responsible for convening and holding meetings of the state level committee once in three months under the patronage of Health Minister, to monitor the operations of the KEMP. It was the responsibility of the District Health and Family Welfare Society to convene district level meetings with the District Collector as Chairman.</p>	<p>The KEMP service was started as a pilot project at Thiruvananthapuram and the agreement was signed in 2009. The project commenced at a time when the Emergency Medical Service project was in its infant stage in India. The agreement has been signed for the expansion of the project to the entire districts of Kerala stage wise. Since the project was not extended to entire districts of</p>

Audit noticed that the state level committee, though constituted in September 2009 had not met even once. While the district level committee in Thiruvananthapuram district met only once during October 2009 - March 2014, the district level committee in Alappuzha met only four times during April 2012 - March 2014.

GOK stated (October 2014) that since the project was not extended to the entire State, meeting of the state level committee was not conducted. It was also stated that reasonable number of district level meetings were conducted at Alappuzha and interaction on regular basis on the problems associated with the operation of KEMP in Thiruvananthapuram district were conducted among District Medical Officer (Health), District Programme Manager, KMSCL and NRHM. This contention is not correct in view of the fact that the primary objective behind holding meetings of the state level committee was to monitor the commissioning and operations of KEMP in the State. Delay in expanding the project to the other districts in the State could be attributed to failure to convene the state level committee meetings. The intention about constitution of district level committee was to ensure periodical collective evaluation of the implementation of the project in the district and not individual interaction in solving day to day affairs.

Kerala, the State level committee with high ranking officials of the state has not been convened. Regarding the number of meetings convened at district level no time period has been stipulated for convening the district level meetings in the agreement document. Though reasonable number of meetings has been conducted at Alappuzha district and in the case of Thiruvananthapuram district DMO, DPM, KMSCL and NRHM authorities have been interacting regularly with the problems associated with the operation of KEMP and resolve them timely.


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GOVERNMENT OF KERALA

HEALTH AND FAMILY WELFARE (M) DEPARTMENT

STATEMENT OF ACTION TAKEN ON THE RECOMMENDATIONS CONTAINED IN THE AUDIT REPORT (GENERAL AND SOCIAL SECTOR) FOR THE YEAR ENDED 31st MARCH 2014.

Additional Information called by the Committee held on 21.08.2019

PARA NO	ACTION TAKEN BY THE GOVERNMENT
	<p>Government have already submitted the Statement of Action Taken Report on the recommendations contained in the Audit Report (General & Social Sector) for the year ended 31st March 2014 through Government letter No.5578/M2/2015/H&FWD dated 23.12.2016 and another additional report on 20.08. 2019. The Hon'ble Public Accounts Committee held on 21.08.2019 directed Government to furnish additional information along with Government Orders and other documents on the following paras. It may be noted that all files in Government related to purchase of ambulance could not be traced out even after thorough search. However the following reply is submitted based on the documents available in Government and with the Kerala Medical Services Corporation. For finalisation of the report a meeting has been conducted with the Managing Director, Kerala State Medical Services Corporation, the State Transport Officer, Director of Health Services and a representative from National Health Mission.</p>
5.1.3.2	<p>SH&FWS has invited an EoI for the operation of KEMP in Alappuzha district on 05.05.2010. M/s Ziqitza Healthcare Ltd qualified as the L1 bidder and the Chairman Executive Committee invited them for a negotiation meeting on 27.07.2010. Ziqitza was not willing to reduce the operational expense from the originally quoted amount which was higher than the amount quoted for the operation at Thiruvananthapuram district. The Government vide letter dated 16.11.2010 cancelled the tender for the whole state except Trivandrum and asked to call for tender by amending the qualifying criteria suitably to encourage more competition, also asking to deploy 25 ambulances parked at Thycaud to major hospitals along the NH from Kollam to Kasargode recruiting EMT and Drivers on temporary basis providing training and mobile phones. A meeting was held on 07.12.10 in the chamber of the then Hon'ble Health Minister and it was decided to call for short tender for operating the 25 ambulances which were idling. A short tender was called and Mr. M M Salim who participated in the tender filed a Writ Petition in the Hon'ble High Court of Kerala. As a result the Government issued orders G.O (Rt.) No. 882/2011/H&FWD 01.03.2011 to deploy these ambulances to different Government institutions along the highways of Kerala for operation using HMC fund available with those institutions. These vehicles were allotted to different districts.</p> <p>An EoI was invited on 12/12/2010 for the expansion of the project to all districts of Kerala. Ziqitza Health care filed a writ petition in the High Court of Kerala (WP(c) NO.37600/2010 dated 22.12.2010) against the finalization of the tender. On 07.03.2011 vide GO(R)NO.918/2011/H&FWD Government directed NRHM to cancel all the tenders regarding KEMP</p>

and to entrust KFLTRON as the operating agency for the 25 ambulances being kept idle. In January 2012 KMSCL was appointed as the Managing Agency for KEMP. In April 2012 the official inauguration of KEMP services was done at Alappuzha district with Ziqitza Health Care as the operating agency. KMSCL vide Letter No. KMSCL/EP/208/2012 dated 13.10.2012 suggested to operate the remaining 4 ambulances in the High Way in Kollam district by connecting 108 control room and police control room. But later 6 ambulances (including 4 ambulances allotted for Kollam) were handed over to DHS for Sabarimala Pilgrimage Operations. After the Sabarimala season, two among the 6 ambulances were transferred to the District Hospital Manathavadi and the Taluk Hospital Sulthanbetheri. At present out of the four ambulances one is allotted to Neyyattinkarra, one to Pathanamthitta and one to Palakkad. The last one is used as backup vehicle in Thiruvananthapuram till the new Kanivu Project was launched. At present this back up vehicle has been assigned to the DHS, which is being needed for inter facility transfers.

The delay in operating ambulances has occurred due to litigations in the Hon'ble High Court and unexpected incidents but not because of the deficiencies in planning.

5.1.3.4

KMSCL invited a tender in February 2014 for the expansion of KEMP to all districts of Kerala and for the implementation of the JSSK project. The Government had constituted a Tender Formulation and Finalization Committee with SMD NRHM, MD, KMSCL and DHS as members. As per the recommendations of the committee in February, 2014, the operator has to purchase the vehicles in their name and operate for five years and the government would not incur any capital expense. However Government directed vide Government Letter No. 59034/J1/2012/H&FWD dated 12.03.2014 that the vehicles have to be purchased in the name of DHS. Hence the tender was cancelled and a new tender was called in complying with the directions of Government. The tender was cancelled as there was a change in the mode of operation and not due to the non finalization of pre qualification criteria. The pre qualification criteria had to be changed as the model was changed. The tender was cancelled as per the advise of the Finance Department as the amendments were against the pre qualification conditions.

The Tender Formulation and Finalization Committee held on 22.02.2014 recommended the following for approval

I Pre qualification criteria

- i. Minimum experience of two years with in the period of last five years in operating emergency ambulance services of any State in India or abroad for the entire State or part of the State with a fleet of a at least 100 ambulances supported by a centralised control room.
- ii. Should have experience in computer telephony integration with the ability to log calls combined with geographical information system and GPRS integrated system to facilitate quick dispatch of vehicles.
- iii. Should have comprehensive training system for service and supervisor personnel in the implementation of the emergency response system.

- iv. The bidder should have current Net Worth of at least Rs.75 crores as on 01.01.2014. In case of consortium, the member shall have not less than 51% of the net worth.
- v. Consortium are permitted to take part in the tender subject to the following conditions.
- The consortium should not have more than three members.
 - the consortium agreement should be in place before the date of tender submission. The roles and responsibilities of each consortium members should be clearly defined.
 - The lead consortium member should be registered in India.
 - If the foreign partner has a consortium arrangement with the other partners and undertakes to provide the needed technical support to the consortium or bids directly through a fully owned subsidiary, the experience of International partner will be considered.
2. The rates offered in the tender shall be as "Expenses for providing brand new 287 BLS and 283 Patient Transport Ambulances as per specifications annexed and running 2000 km. per ambulance and operating call centre as per the conditions of the tender per month". The rates should be firm for entire 5 years. (60 months). The rate offered shall be inclusive of local tax, service tax and any other tax and insurance.
3. the expenses for running 570 ambulances for a maximum kilometer of 2000 per ambulance per month and additional kilometer will be reimbursed at the rate of Rs.15/- per kilometer for ambulance, run beyond this limit on cumulative basis per month for all the 570 vehicles combined. Additional kilometers payment will be reimbursed only if the total kilometers travelled by all the 570 ambulances deployed in the state crosses 11,40,000 (200 x 570) kilometer mark for any given month.
4. The cost of additional kilometer run over the state average of 2000 km.
5. The first registration of all the 570 vehicles shall be on or after 01.01.2014.
6. the bidders shall be asked to operate the ambulances district wise.
7. The bidder need not necessarily own all the 570 vehicles. However, each of the vehicles should be under the control of the bidder till the completion of the contract.
8. The EMD shall be 2 crores.
9. The performance security shall be 5% of the contract amount for the entire period.
10. The officers from KMSCL, DHS, and NHM have the right to inspect any of the ambulances or control room at any point of time.
11. The minimum call taking staff in the control room shall be 100 for 24X7 operation. According to the call flow the number should be increased so as to ensure that not a single call is missed.
12. The running expenses for ambulances shall be made on a quarterly basis after submission of bills.
13. the operator shall provide a web enabled ERP solution, which will compute the response time, vehicle down time, GPS/GPRS downtime, total service downtime, etc. so as to monitor and evaluate the performance including calculation of penalty if any.

14. The tender should have exit clause of 90 days.

15. The present 49 ALS ambulances shall be returned to DHS and to be allotted to various hospitals for inter hospital transfers.

The recommendations of the committee were not accepted by Government since that were not specific. Hence the Government vide Letter No. 59034/J1/2012/H&FWD dated 12.03.2014 directed KMSCL to make the following modifications:

i. It is seen that the tender formulation and finalization Committee has recommended not to register Ambulances in the name of Director of Health Services and recommended that ambulances can be taken back by the bidder after the contract period. However, the meeting of the committee of Secretaries held on 29.01.2013 to discuss the issue of procurement of ambulances and award of contract to the operating agency had recommended that it will be the responsibility of the operating agency to get the vehicles registered in the name of Director of Health Services. Action has to be taken in accordance with the recommendation of the committee of Secretaries.

ii. The committee recommendation that first registration of all 570 vehicles shall be on or after 01.01.2014 cannot be agreed to since if the above condition is incorporated there may be chances of inclusion of old vehicles registers on 01.01.2014 also in the fleet of ambulances, which is not acceptable as all vehicles shall be new and registered after finalisation of the tender.

iii. As per item No.7 of the recommendation of the Committee the bidder need not necessary own the all 570 vehicles this clause also cannot be agreed to.

iii. As recommended, the ALS Ambulances may be returned to Director of Health Services and may be allotted for inter hospital transfer as it will improve the functioning of the hospitals.

Further a meeting of the Tender Formulation and Finalization Committee held on 09.07.2014 under the chairmanship of the Secretary Health with members as DHS, Additional Secretary, Finance Department, Deputy CE NRHM held on 09.07.2014 took the following decisions:

1. The tender invited initially has stipulated that the ambulances have to be provided by the successful bidder and the expenses will be reimbursed over a period of 60 months and one of the pre-qualification criteria was specified as Rs.75 crores net worth for the prospective bidders. As per the recommendations of the Secretaries Committee, the Government has clarified that the vehicles has to be registered in the name of DHS and the capital expenses has to be reimbursed to the successful bidder. Most of the bidders who had participated in the pre-bid meeting have sought relaxation in the net-worth criteria. Since the capital expense and the operating expenses required for the project is being reimbursed and in order to ensure maximum participation and to obtain a competitive bid, it was decided to incorporate the following clause instead of the clause 4.20.4 the tender invited earlier.

"The bidder should have a positive current net worth as on 01.04.2014. In case of consortium, the lead member shall have a positive current net worth. CERTIFICATE OF SUCH NET WORTH BY A FIRM OF CHARTERED ACCOUNTANTS HAVING PRACTICE IN INDIA SHOULD BE PRODUCED"

	<p>2. The vehicles shall be deployed within 6 months from the date of signing the agreement with the successful bidder. The deployment plan will be provided by the Director of Health Services and the same will be provided to the successful bidder along with the award of contract. The procurement and deployment of Patient Transfer Ambulances will be strictly based on necessity.</p> <p>3. The EMD shall be Rs.1.2 Crores which is 1% of the estimated capital and operating cost for the first year, which shall be submitted on-line through the e-tender portal.</p> <p>4. The performance security deposit shall be 5% of the capital and operating cost for the first year offered by the successful bidder which can be furnished as DD/BG. If BG is furnished it shall be valid for 66 months.</p> <p>5. The service of KEMP is provided free of cost to the public. It is common that a services provided without any cost will be utilised to its maximum. The average Kilometre travelled in a month by the present ambulance under KEMP is more than 3000 kms. It is proposed to purchase 287 BLS ambulances and a maximum of 283 PTA. Hence it was decided to specify the average Kilometre per month as 2000. The additional kilometre payment will be reimbursed only if the total kilometre travelled by all the allotted ambulances exceed, 2000 'X' no of vehicles deployed in the state for any given month (BLS+PTA). Additional kilometre will be reimbursed at Rs.15/- per kilometre fro both BLS and PTA.</p> <p>6. The Patient Transport Ambulances will be operated under the JSSK scheme which will be mostly a planned operation for the transport of pregnant women from home to hospital for delivery and drop back to home and also for new-born till 30 days after birth. Hence is was decided to operate all Patient Transport Ambulances from 8 am to 5 pm.</p> <p>7. It was decided to incorporate necessary corrections as per the decisions taken, in the draft tender document circulated during the meeting and to invite the tender on 15.07.2014. Copy of the Letter No. 59034/J1/2012/H&FWD dated 12.03.2014, Minutes of the Tender Formulation and Finalization Committee held on 22.02.2012 and 09.07.2014 are enclosed herewith.</p>
5.1.4.1	<p>The MD KMSCL vide his Letter No. 4233/PUR/KMSCL/2009 dated 16.10.2009 and the State Mission Director, National Rural Health Mission vide his Letter No. NRIIM/132/C(E)/KEMP/2007 dated 15.10.2009 had informed that it would be better to provide delivery van instead of ambulances for fabrication and equipping as Advanced Life Saving Ambulances citing the following reasons : (letter enclosed)</p> <p>Since medical devices are to be fitted in the ambulances, it is mandatory for these devices to be mounted on the side wall of the vehicle. The ambulance model has 3 windows in each side and hence it will not be possible to mount these devices on the side wall of the vehicle whereas for delivery vans, such an issue will not arise. For Delivery Vans, there will be only one quarter window on each side of the vehicle at the back and two rear glasses on the rear door. For Delivery Van, 270 degrees rear door opening is available which will be convenient for trolley loading. A superior Electrical system is available in delivery vans. A closed Delivery Van which will ensure</p>

sterility, hygiene and good thermal insulation.

Government observed there would be financial savings of around Rs.40 lakhs by changing Force Ambulances to Force Delivery Vans. Besides the change was also found to be advisable due to technical advantages in equipping Delivery Vans for converting them as ALS Ambulances. Accordingly sanction was accorded vide G.O. (Ms)No.375/2009/H&FWD dated 26.10.2009 (enclosed) for procurement of 50 Force Delivery Vans meeting the technical specifications for equipping and converting as ALS Ambulances for the Kerala Emergency Medical Services Project to be implemented in Thiruvananthapuram and Kannur districts and direction was given to DHS for procurement of 50 Nos. of Force Delivery Vans and handingover them to KMSCL for equipping as ALS Ambulances.

In 2009 Emergency Ambulance Service in India was in initial stage and there was no models available at that time for reference. Also the Kerala Emergency Medical Services Project was introduced as a pilot project in Thiruvananthapuram and Alappuzha and no previous experience of operational expenses related to running of the project. The expenses included cost of medicines, consumables (cotton, gloves, etc), oxygen cylinders, overtime salary of staff operating ambulance. 5th Governing body of State Health and Family Welfare Society held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza and accordingly entered into an agreement on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometre covered above 2000 kilometers per ambulance per month. ZIQITZA was directed to work towards optimal efficiency in the running of the Ambulances.

The changing of Force ambulances to delivery van has only profited to GOK. There was an approximate savings of Rs. 40 lakhs. More over the absence of windows in delivery van has prevented cutting and welding of the body which in turn benefited the vehicles in the long run (rusting of vehicles in the humid climate of Kerala). More over there were advantages in the doors, electrical systems and air conditioning of the vehicles. In the period when tender was called in 2009 Force motors had not introduced base ambulance vehicles which could be converted into ALS. The only available option was converting the delivery van which was the industrial practice that time. However, now, Force motors have models of base ambulances which are suitable for ALS conversion. Since the conversion of ALS was done for the first time, tender was invited for converting ambulances into ALS (instead of delivery vans). There was no post award revision of work stipulated in the tender. The purchase of the vehicles was not a part of the tender. As per Government Order G.O. (Rt.) No. 375/2009/H&FWD dated 28.10.2009, the Director of Health Services was directed to take necessary steps for procurement of 50 number of Force Delivery Vans.

5.1.4.2

A temporary registration to the 50 Kerala Emergency Medical Services Project Vehicles was obtained for its

immediate operation and also approached the Ministry of Transport Government of India for permanent registration of the vehicles. Accordingly an inspection was conducted by Assistant Motor Vehicle Inspector. Without much delay all vehicles got permanent registration under Motor Vehicles Department, Kerala. It may be noted that in every year all vehicles running under KEMP satisfied certificate of fitness from the Motor Vehicles Department and at present all vehicles have permanent registration number and are operating successfully.

5.1.4.3

The whole process of contract management including the MoU was placed in the 5th Governing Body meeting of the State Health & Family Welfare Society held on 29.06.2009 which was chaired by Hon'ble Minister for Health & Social Welfare and attended by Secretary (Health I/c), representatives from Finance Department, State mission Director and other HoDs. MoU clearly mentioned that "yearly operational expense increment shall be on the basis of CPI (consumer Price Index) and prevailing average increases in similar contracts in other States". The meeting decided to approve the lowest bidder M/s Ziqitza as the agency for the program. Further, it was also resolved to enter into an agreement with M/s Ziqitza. (Minutes attached: Item number 22).

NRHM entered into an agreement with ZIQITZA on 16.10.2009. In the agreement so executed State Health and Family Welfare Society should pay operational expenses for an amount equal to Rs.2,96,70,000/- per year for 25 ambulances (Rupees Two Crores Ninety Six lakhs and seventy thousand only) for a period of three years, initially for the districts of Thiruvananthapuram to cover expenses including.

- i. Call centre staff salary 24 hours per day and 365 days a year.
- ii. Salary of ambulances staff of Emergency technician and driver – 24 hours per day and 365 days a year (Emergency technician to be trained in advances life support system from accredited agency).
- iii. Maintenance cost of Ambulance for 25 ambulances
- iv. Ambulance operational costs including fuel for 2000 kms per ambulance per month
- vi. Cost of consumables up to of 10 persons/ambulance/day.
- vii. Maintenance and operation of call center (to include telephone/power and water charges)
- viii. In addition, SHFWS shall pay additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.
- ix. Yearly operational expense (one year of operation) increment can be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other states).

5th Governing body of State Health and Family Welfare Society held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza and accordingly entered into an agreement on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometere covered above 2000 kiometers per ambulance

No uniform guidelines for the operation of Emergency Medical Service ambulances was available in India, even in 2014. Only a draft had been made available by the Ministry of Health & Family Welfare in 2013 which had not been approved. While the agreement with Ziqitza has been signed in 2009, the 108 project was in the initial stages and Kerala was one among the states to introduce the tender model for the operation of 108 ambulances in India. Most of the states operating that time were under MOU model. In MOU model whatever expenses the operating agency is incurring, the government used to reimburse that amount. All the Southern states except Kerala are operating in MOU model. Ziqitza was the lowest bidder which quoted for the pilot project. While signing the agreement with Ziqitza in 2009 the state of Kerala had no experience in operating such a project and it was impossible to predict the distance that ambulances were going to ply. Though Ziqitza had not quoted the yearly increase in the tender the rate quoted by the other bidders were very high compared to the operational cost quoted by Ziqitza. The operational cost offered by the L2 bidder for the first year was Rs. 5.9 crores more than what ziqitza has quoted. Also the L2 bidder quoted 15.7% increase in operational cost for the second year. Where as KMSCL gave an increase of 7.5% to Ziqitza for the second year. If the contract were awarded to L2 bidder, the cost of operation of the project could have been higher compared to the payment made to Ziqitza. Comparing the cost of diesel at the time of signing the agreement there was an increase of around 40 % at the end of the first year of operation which is one of the main expenses in the operation. During three years of operation only one time an increase of 7.5% was given to Ziqitza. There was no intentional approach on the part of Government and its agency for providing gains to the operational agency.

5.1.4.4

In 2009 Emergency Ambulance Service in India was in initial stage and there was no model available at that time for reference. Also the Kerala Emergency Medical Services Project introduced as a pilot project in Thiruvananthapuram and Alappuzha and no previous experience of operational expenses related to running of the project. The expenses include cost of medicines, consumables (cotton, gloves, etc), oxygen cylinders, salary of staff operating ambulance. This tender mode which was called by NRHM in 2009 was one among the first in the country and there was no successful tender model in any other states which could have been replicated during 2009. Earlier, all States used to award the contract to EMRI on nomination basis. L1 firm M/s Ziqitza had quoted the least amount which was nearly 20% lower than the L2 (EMRI) value. So, by adopting tender mode, NRHM saved nearly Rs.5 crore over the years.

The whole process of contract management including the MoU was placed in the 5th Governing Body meeting of the State Health & Family Welfare Society held on 29.06.2009 which was chaired by Hon'ble Minister for Health & Social Welfare and attended by Secretary (health I/c), representatives from Finance Department, State mission Director and other HoDs. That MoU clearly mentioned that "yearly operational expense increment shall be on the basis of CPI (consumer Price Index) and prevailing average increases in similar contracts in other

States. The meeting decided to approve the lowest bidder M/s Ziqitza as the agency for the program. Further, it was also resolved to enter into an agreement with M/s Ziqitza. (Minutes attached: Item number 22).

In the agreement so executed State Health and Family Welfare Society was directed to pay operational expenses for an amount equal to Rs.2,96,70,000/- per year for 25 ambulances (Rupees Two Crores Ninety Six lakhs and seventy thousand only) as operational expenses for a period of three years, initially for the districts of Thiruvananthapuram to cover expenses including.

- i. Call centre staff salary 24 hours per day and 365 days a year.
- ii. Salary of ambulances staff of Emergency technician and driver – 24 hours per day and 365 days a year (Emergency technician to be trained in advances life support system from accredited agency).
- iii. Maintenance cost of Ambulance for 25 ambulances
- iv. Ambulance operational costs including fuel for 2000 kms per ambulance per month
- vi. Cost of consumables up to of 10 persons/ambulance/day.
- vii. Maintenance and operation of call center (to include telephone/power and water charges)
- viii. In addition, SHFWS shall pay additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.
- ix. Yearly operational expense (one year of operation) increment can be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other states).

As stated above 5th Governing body of State Health and Family Welfare Society (SHFWS) held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza. Accordingly SHFWS entered into an agreement with M/s ZIQITZA on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometere covered above 2000 kilometers per ambulance per month. ZIQITZA was directed to work towards optimal efficiency in the running of the Ambulances.

Alien



GOVERNMENT OF KERALA

No.48712/J1/2014/H&FWD

Health & Family Welfare (J) Department,
Thiruvananthapuram,
Dated: 12/11/2014.

From

The Secretary to Government.

To

The Managing Director,
Kerala Medical Services Corporation Limited,
Thiruvananthapuram.

Managing Director
Kerala Medical Services Corporation Limited
Thiruvananthapuram-16

DM/Chen
12/11/14

Sir,

Sub :- H&FWD – Handing over 6 ALS Ambulance parked at KMSCL compound to Director of Health Services for Sabarimala Pilgrimage Operations 2014-15 – Reg.

Ref :- Your Letter No.KMSCL/EP/208/12 dated 16/10/2014.

I am to invite your attention to the reference cited and to permit you to transfer the vehicles to Director of Health Services for Sabarimala Pilgrimage operations as requested.

Yours faithfully,
REMESAN M. K.
UNDER SECRETARY
For Secretary to Government.

Approved for issue,


Section Officer.

ഭരണഭാഷ മാതൃഭാഷ.

10 2 NOV 2014

നം:എച്ച്റ്റി2-37576/11/ആ.വ.ഡ.

ആരോഗ്യവകുപ്പ് ഡയറക്ടറേറ്റ്.
തിരുവനന്തപുരം. തിയ്യതി:2-10-14.

പ്രേഷിതൻ.

ആരോഗ്യവകുപ്പ് ഡയറക്ടർ.

M. S. Manoj
Managing Director
Kerala Medical Services Corporation, 1st floor
Pappanad, Thiruvananthapuram-14

സീക്രട്ടറിയ്ക്ക്

മാനേജിംഗ് ഡയറക്ടർ, കോളുമെഡിക്കൽ സർവ്വീസ് കോർപ്പറേഷൻ,
തിരുവനന്തപുരം.

സർ,

വിഷയം:- ആരോഗ്യവകുപ്പ്- എച്ച്റ്റി - കേരള മെഡിക്കൽ സർവ്വീസ്
പ്രോജക്ട്(കെംപ്) - കേടു സംഭവിച്ച എ.എൽ.എസ്
ആംബുലൻസുകൾ തിരികെ നൽകുന്നത് സംബന്ധിച്ച്-
സൂചന:- സ.ഉ(കൈ)നം:38/2014/ആ.കു.വ, തി:30-1-14.

M. S. Manoj

സൂചനയിലേക്ക് താങ്കളുടെ ശ്രദ്ധ ക്ഷണിക്കുന്നു. ഉപയോഗിക്കാനാകാത്തവിധം കേടുപറ്റിയ രണ്ട് ആംബുലൻസുകൾക്ക് പകരമായി മെ.ചികിത്സാഹെൽത്ത് കെയർലിമിറ്റഡ് ലഭ്യമാക്കിയ രണ്ട് പുതിയ ആംബുലൻസുകളും ആരോഗ്യവകുപ്പ് ഡയറക്ടറുടെ പേരിൽ രജിസ്റ്റർ ചെയ്യാനും, കേടുപറ്റിയ രണ്ട് പുതിയ ആംബുലൻസുകളെ സ്റ്റോക്ക് രജിസ്റ്ററിൽ നിന്നും നീക്കം ചെയ്ത് മെ.ചികിത്സാഹെൽത്ത് കെയർ ലിമിറ്റഡിന് തിരികെ നൽകാനുമുള്ള ഉത്തരവ് സർക്കാർ സൂചന പ്രകാരം നൽകിയിരിക്കുന്നു.

പ്രസ്തുത ഉത്തരവിന്റെ അടിസ്ഥാനത്തിൽ ലഭ്യമായ രണ്ട് ആംബുലൻസുകളും ആരോഗ്യവകുപ്പ് ഡയറക്ടറുടെ പേരിൽ രജിസ്റ്റർ ചെയ്യുന്നതിനും, കേടുപറ്റിയ രണ്ട് ആംബുലൻസുകൾ മെ.ചികിത്സാഹെൽത്ത് കെയർ ലിമിറ്റഡിന് തിരികെ നൽകിയതിന്റെ രേഖകൾ ഈ ഓഫീസിലെ ഫയലിംഗ് അവശ്യങ്ങൾക്കായി നൽകുവാൻ താൽപര്യപ്പെടുന്നു. മാത്രമല്ല സർക്കാർ ഓർഡർ പ്രകാരം വാഹനം ഹെൽത്ത് ട്രാൻസ്പോർട്ട് സെമിട്രൽ ട്രൂപ്പിൽ സ്റ്റോക്ക് എടുത്ത് ഇഷ്യൂ ചെയ്തതായും കാണുന്നില്ല. ആയതിനാൽ പ്രസ്തുത ആവശ്യങ്ങൾക്കായി അധികപ്പെട്ട ഓ. ഉദ്യോഗസ്ഥൻ ഈ ഓഫീസിൽ അയക്കുവാനും താൽപര്യപ്പെടുന്നു.

വിശ്വസ്തതയോടെ,

(Signature)

മാനേജിംഗ് ഡയറക്ടർ, കോളുമെഡിക്കൽ സർവ്വീസ് കോർപ്പറേഷൻ

ചകർപ്പം

സൂചന: സൂചന: 37576/11/ആ.വ.ഡ. 2-10-14
മാനേജിംഗ് ഡയറക്ടർ, കോളുമെഡിക്കൽ സർവ്വീസ് കോർപ്പറേഷൻ, തിരുവനന്തപുരം

No.HT3-66179/2014/DHS

Directorate of Health Services
Thiruvananthapuram
Dated: 29/09/2014

From

The Director of Health Services

To

The Managing Director
Kerala Medical Service Corporation, Limited.Managing Director
Kerala Medical Services Corporation Limited
Thycaud, Thiruvananthapuram-14

Sir,

Sub:- HSD- Sabarimala Pilgrimage-2014-2015-Temporary allotment of
ALS Ambulance for this season reg-

Ref: - Govt.lr.no.40436/Dev.2/2014/RD, Dated:25/08/2014.

The Sabarimala Pilgrimage season 2014-2015 starts from 15-11-2014 to Makaravilakku ie, 14-01-2015. For the free transportation of patients from different Health Centres in and around sabarimala areas, Ambulance service is very essential. For fulfilling Health Service activities in sabarimala, a few ALS Ambulance are also necessary. In this circumstance you are requested to temporary allot those ALS Ambulance which are in good condition to the Director of Health Service within a week for this purpose. Please treat this as most urgent.

Yours faithfully

For Director of Health Services

Copy to :- (1) The State Deputy Nodal officer
Sabarimala.
(2) File/Stock File.

DM (K. S. P.)
7/10


KERALA MEDICAL SERVICES CORPORATION LTD.,
(Dept. of Health & Family Welfare, Govt. of Kerala)

Thycaud P.O., Thiruvananthapuram-14

Tele Fax No : 0471-4015522,

Ph no 0471-4019928, 2337353

Email id : engg_ep@kmscl.kerala.gov.in

Engineering Division

www.kmscl.kerala.gov.in

No. KMSCL/ EP/208/2012

Date : 27.11.2014

Managing Director

 Director of Health Services
 DHS Compound

Sir,

- Sub :- Handing over of 6 ALS ambulances parked at KMSCL Compound to Director of Health Services for Sabarimala Pilgrimage Operations-Reg.
- Ref :- 1. Your letter No.HT366179/2014/DHS/2014 dated 25.08.2014
 2. Government letter 48712/J1/2014/H&FWD dated 12/11/2014
 3. Your letter No.HT2-37576/11/DHS dated 2/10/2014

Government vide letter referred 2 above has permitted KMSCL to transfer 6 ALS ambulances to Director of Health Services for Sabarimala pilgrimage operations. Vide letter referred 3 above your office have intimated that the new vehicles provided by Ziqitza as replacement for the two ambulances totally lost in accidents had to be included in the central stock of DHS. You are hereby requested to make necessary arrangements at the earliest to take the 6 ambulances in which two are brand new which has to be included in the central stock of DHS. Two old vehicles having fitness certificate and two vehicles which don't have fitness certificate and not in running condition.

Yours faithfully,


MANAGING DIRECTOR

Copy to:

Secretary H&FWD

PS to Hon'ble Minister for Health & Devaswom



GOVERNMENT OF KERALA
HEALTH & FAMILY WELFARE (M) DEPARTMENT

No.38265/M2/2010/H&FWD.

Thiruvananthapuram
Dated :16.11.2010.

From

The Secretary to Government.

To.

The State Mission Director, NRHM,
Thiruvananthapuram.

Sir,

Sub: H&FWD -Kerala Emergency Medical Services Project (KEMP) --
Reg.

Ref: Your letter No.NRHM/418/KEMP-Exp/BM(E)/2010 dated 28.08.2010.

I am to invite your attention to the reference cited and to request you to take immediate necessary action to cancel the present tender for operating agency and go for re-tender after inviting fresh Expression of interest for the whole state except Thiruvananthapuram district, with the qualifying criteria amended suitably to encourage more competition. You are directed to complete the process of inviting new Expression of Interest and fresh tendering within 2 months so that the agency could be finalized before 01.01.2011. You are also directed to deploy the 25 ALS ambulances already purchased to the major hospitals along the National Highway from Kollam to Kasargode. You are directed to recruit one driver and one Emergency Medical Technician on purely temporary basis by giving training and deploy with each ALS ambulance, with contact cell phone numbers, as required, a few ALS ambulances now stationed in Thiruvananthapuram district should also be redeployed for this purpose.


Yours faithfully,

Susy Eapen

Joint Secretary

(for Secretary to Government)

Approved for issue.


Section Officer


KERALA MEDICAL SERVICES CORPORATION LTD.,
(Dept. of Health & Family Welfare, Govt. of Kerala,

Thycaud P.O., Thiruvananthapuram-14

Tele Fax No : 0471-3045647

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Engineering Division

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No. KMSCL/EP/208/2012

Date : 18.12.2014

The Managing Director
**The District Medical Officer
Wayanad**

Sir,

- Sub :- Providing two ALS ambulances to Wayanad district -Reg.
 Ref :- 1. Decision taken in the meeting held at the Chamber of Secretary
 H&FWD on 4/12/2014

As per the decisions taken in the meeting referred above KMSCL is directed to provide two ALS ambulances to wayanad district, one ALS ambulance to District Hospital Mananthavady and one ALS ambulance to Thaluk Hospital Sulthanbethery. The two vehicles are ready and parked at KMSCL Head office compound Thycaud Thiruvananthapuram.

You are hereby requested to depute a person with authorization letter and ID card to take charge of these vehicles and move to Wayanad district at the earliest. The details of the vehicles allotted are given as below.

Institution to which vehicle is allotted	Vehicle registration Number	Vehicle Type	Kilometer Reading	Vehicle condition
District Hospital Mananthavady	KL01-BQ-176	ALS	4019	Brand New
Thaluk Hospital Sulthanbethery	KL01-BQ-733	ALS	922	Brand New

The person taking charge of the vehicle should complete the handing over formalities and must carry enough funds to bear the diesel expenses for taking the vehicles to wayanad.

Yours faithfully,


~~MANAGING DIRECTOR~~

Copy to:

Secretary H&FWD
PS to Hon'ble Minister for Health & Devaswom
DHS
District Collector, wayanad
DPM Wayanad.
Medical officer in charge DH Mananthavady
Medical officer in charge TH Sulthanbathery



GOVERNMENT OF KERALA
HEALTH & FAMILY WELFARE (M) DEPARTMENT

No. 38265/M2/2010/H&FWD.

Thiruvananthapuram
Dated : 27.10.2010.

From

The Secretary to Government.

To

The State Mission Director, NRHM,
Thiruvananthapuram.

Sir,

Sub: H&FWD – Expansion of Kerala Emergency Medical Services Project
(KEMP) in other districts – Reg.

Ref: Your letter No.NRHM/418/KEMP-Exp/BM(E)/2010 dated 28.08.2010.

I am to invite your attention to the reference cited and to request you to take urgent steps to negotiate with M/s Ziqitza Health Care Ltd to bring down the operational expenses to the amount quoted earlier for the 25 ambulances purchased for Thiruvananthapuram district. After negotiations you are directed to again approach the Government with the results of the negotiations.

Yours faithfully,

Susy Eapen

Joint Secretary

(for Secretary to Government)

Approved for issue.

Section Officer.



GOVERNMENT OF KERALA

No.56005/A3/2014/H&FWD.

Health & Family Welfare (A) Department,
Thiruvananthapuram,
Dated: 09.12.2014.

From
The Secretary to Government.

To

The Managing Director,
Kerala Medical Service Corporation Limited,
Thiruvananthapuram.

Madam / Sir,

Sub:-H&FWD – Serious deficiencies in the health sector, in Wayanad –
Minutes of meeting forwarding of - Reg.

Ref:-1) Government letter of even number dated 28.11.2014.
2) Meeting convened by the Secretary (H) on 04.12.2014.

I am to forward herewith a copy of the minutes of the meeting held by the
Secretary (H) regarding the serious deficiencies in the Health Sector of Wayanad
district for your information and further action.

Yours faithfully,

MEERA.D.

Under Secretary.

For Special Secretary to Government.

Approved for issue


Section Officer

**MINUTES OF THE MEETING HELD BY THE SECRETARY(H) AT 11.30
AM ON 04.12.2014**

The District Collector, Wayanad has brought to the notice of Government that there are serious deficiencies in the Health Sector of his district. A meeting was convened to discuss the matter. The Director of Health Services, representatives of Kerala Medical Service Corporation Limited and NRHM attended the meeting. A detailed discussion on the subject was held and following decisions are taken:

- 1) The DHS will take immediate steps to fill up 27 Assistant Surgeon Posts lying vacant in Wayanad District from the candidates advised by the KPSC without giving chance of option to the candidates.
(Action : DHS)
- 2) Expedite action for convening DPC and to post promotees to the post of Medical Consultant (O&G & Anaesthesia) to ensure service of essential major specialities. (Action : DHS)
- 3) KMSCL should provide two '108 ambulance' - one for DH, Mananthavady and the other for TH, Sulthanbethery. The running cost should be met from HDC to the extent possible and requested SMD, NRHM to supplement any further extent in this regard.
(Action : KMSC Ltd & NRHM)
- 4) KMSCL should take steps to inaugurate the Karunya Pharmacies immediately so as to make it fully functional forth with
(Action : KMSC Ltd.)

The meeting came to close at 11.45.



KERALA MEDICAL SERVICES CORPORATION LTD.,
 (Dept. of Health & Family Welfare, Govt. of Kerala,
 Thycaud P.O., Thiruvananthapuram-14
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 Email id : engg_ep@kmscl.kerala.gov.in

Engineering Division

www.kmscl.kerala.gov.in

No. KMSCL/EP/208/2012

Date: 16.10.2014

The Managing Director

The Secretary to government,
 Health and Family Welfare Dept
 Govt. Secretariat, Thiruvananthapuram

Sir,

Sub :- Handing over of 6 ALS Ambulance parked at KMSCL compound to
 DHS for Sabarimala Pilgrimage Operations 2014-15-Reg

- Ref 1. Government Letter No. 436/Dev.2/2014/RD dated 25.08.2014
 2. Letter NO. HT366179/2014/DHS dated 29.09.2014

DHS vide letter 2nd cited above has asked for few ALS ambulances for the free service of patients from different health centers in and around Sabarimala during the pilgrimage season starting from 15.11.2014 to 14.01.2015.

The following ALS Ambulances are available with KMSCL

Vehicle number	Description
KL 01 AY 1655	4 year old vehicle without fitness certificate (Not in running condition)
KL 01 AY 1651	4 year old vehicle without fitness certificate (Not in running condition)
KL 01 BQ 733	Brand new vehicle provided by Ziqitza as replacement for vehicles which is totally lost in accident
KL 01 BQ 176	Brand new vehicle provided by Ziqitza as replacement for vehicles which is totally lost in accident
KL 01 AY 1649	Vehicle given to GVK EMRI as backup vehicles for doing fitness test.
KL 01 AY 1589	Vehicle given to GVK EMRI as backup vehicles for doing fitness test

Government vide letter No. 59034/J1/2012/H&FWD dated 12.03.2014 has informed that as the KEMP project is to be expanded to entire districts the ALS vehicles running at Trivandrum and Alappuzha districts has to be returned to director of health services for facilitating inter hospital transfer. The tender for expansion of the KEMP to

entire districts of the State is almost in final stage. The Government may issue necessary orders to transfer the above mentioned vehicles to DHS for Sabarimala operations.

Yours faithfully,


MANAGING DIRECTOR

Copy to: Director of Health Services



GOVERNMENT OF KERALA

Abstract

Health & Family Welfare Department – Kerala Emergency Medical Service Project (KEMP)- Deployment of 25 ALS Ambulances - Sanctioned - Orders issued.

HEALTH & FAMILY WELFARE (M) DEPARTMENT

GO(Rt)No.882 /2011/H&FWD. Dated, Thiruvananthapuram, 01.03.2011.

- Read :**
1. G.O.(MS) 619/2008/H&FWD dated 30.12.2008.
 2. G.O.(Rt)2709/2009 /H&FWD dated 19.09.2009.
 3. G.O.(MS)342/2009/H&FWD dated 30.09.2009.
 4. G.O.(MS)780/2010/H&FWD dated 29.12.2010.
 - 5.. Letter No.NRHM/BME/1065/KEMP/2010 dated 24.02.2011 from the State Mission Director, NRHM, Thiruvananthapuram.

ORDER

As per the G.O read as 1st paper above, sanction was accorded for implementation of the Kerala Emergency Medical Service Project (KEMP) for Thiruvananthapuram District with 25 Advanced Life Saving Ambulances as a NRHM project with complete funding from NRHM. As per the G.O. read as 2nd paper above, Government have accorded sanction for the purchase of 25 ALS Ambulances by Director of Health Services for Thiruvananthapuram District. These 25 ambulances are running in Thiruvananthapuram District as part of KEMP Project. As per the G.O.read as 3rd paper above sanction was also accorded for the purchase of 25 ALS ambulances as a NRHM Project with complete funding from NRHM. In the Government Order read as IVth paper above Government have ordered inter-alia to deploy the 25 ALS ambulances along the High ways and stationed in the concerned district Hospitals and Taluk Hospitals.

2. In the letter read as 5th paper above, the State Mission Director, NRHM has submitted a proposal to deploy the 25 ALS ambulance across the state.

3. Government have examined the matter in detail and are pleased to approve the proposal submitted by the State Mission Director, NRHM for the deployment the 25 ALS ambulances purchased as per the G.O. read as third paper above, temporarily subject to the outcome of the WP(C) 416/11(B)filed by Mr.M.M.Salim. The deployment of the vehicles will be detailed below.

Sl.No.	Name of the Hospital	No.
1	D.H.Kollam	1
2	GH Pathanamthitta	1
3	Medical College Hospital Alappuzha	2
4	THQH Thiruvalla	1
5	Taluk Hospital, Cherthala	1
6	Medical College Hospital Kottayam	2
7	GH Ernakulam	1
8	Taluk Hospital Muvattupuzha	1
9	District Hospital, Idukki	1
10	CHC Vandiperiyar	1
11	Medical College, Thrissur	2
12	DH Palakkad	1
13	TribalHospital, Attappady	1
14	GH Manjeri	1
15	Medical College Hospital, Kozhikode	1
16	W&C Hospital, Kozhikode	1
17	G.H.Kalpetta	1
18	District Hospital, Mananthavadi	1
19	G.H. Thalassery	1
20	District Hospital Kannur	1
21	GH Kasargod	1
22	District Hospital, Kanjangad	1

4) The ambulances will be deployed to operate on a 24 hour basis and hence each ambulance requires:

1. 3 drivers and 3 Emergency Technician.
2. An additional driver and Emergency Technician to ensure uninterrupted operations during holidays, leave of staff etc.
3. One supervisor in each district to co-ordinate and supervise the activity.

5) Each vehicle (either the driver or the Emergency Technician) and the Supervisor will be provided with a mobile phone and the numbers will be publicized in the district. The public can contact this number and avail the service of the ambulance free of cost in case of any emergency.

6) The expenses for the ambulance involves capital expense and operating expense which will be approximately as follows :

Capital expenses

a. Cost of Mobile phone – Rs.3000x38 numbers –	Rs.1,14,000
b. Recruitment expenses – Rs.25,000 x 13 –	Rs.3,25,000
c. Initial Comprehensive Insurance – Rs.45,000 x 25 –	Rs.11,25,000.
d. One time Training for Technicians –	Rs.2,00,000
Total	Rs.17.64 lakhs

Total amount required as capital expense will be met by NRHM.

Operational expenses for running one ambulance per month

Salary for drivers – 4 x 6000	=	Rs.24,000
Salary for Technicians – 4 x 8000	=	Rs.32,000
Fuel Charges	=	Rs.16,000
Consumable and drugs and Maintenance	=	Rs.20,000.
Mobile charges	=	Rs.1,000
Total	=	Rs.93,000

The operational expenses will be met by the concerned Hospital Management Committee where the ambulances are stationed except in Wayanad and Idukki Districts. In the case of ambulances deployed in Wayanad and Idukki districts, entire operational expense will be met by NRHM. Salary and mobile charges for supervisors in all districts will also be met by NRHM.

7) In Medical Colleges where two ambulances are attached, one will be stationed near the Medical College and the other will be stationed either in the peripheral institution under Director of Medical Education or in any other institution under Kerala Health Services depending upon the need and density of population. In the case of remaining district the ambulances deployed will be stationed in the hospital premises. The concerned superintendent of hospitals will be solely responsible for the operation and maintenance of the ambulance with the assistance of the supervisors of NRHM. The Managing Director, Kerala State Medical Services Corporation Limited is directed to handover the 25 ALS ambulances lying in there premises immediately to NRHM.

8) The G.O. read as 4th paper above stands modified to the above extent.

(BY ORDER OF THE GOVERNOR)

K.S. SRINIVAS
Special Secretary to Government

To

The State Mission Director, NRHM, Thiruvananthapuram.
The Director Health Services, Thiruvananthapuram
The Director Medical Education, Thiruvananthapuram
The Principal Accountant General (Audit/A&E) Kerala
Thiruvananthapuram
All Superintendents of concerned Hospitals (Through DHS)
All Superintendents of Medical Colleges (Through DME)
The Managing Director, Kerala Medical Service Corporation Limited,
Thiruvananthapuram

Stock file/Office copy.

Forwarded/By Order


Section Officer.

Copy to : P.S. to Minister (Health & Social Welfare)
P.A to Special Secretary (Health)



GOVERNMENT OF KERALA

No.59034/J1/2012/H&FWD

Health & Family Welfare (J) Department,
Thiruvananthapuram.

Dated: 12/03/2014.

From:

The Secretary to Government.

To

The Managing Director
Kerala Medical Services Corporation Limited
Thiruvananthapuram.

Sir,

Sub:- H&FWD – KEMP 108 – Recommendation of the tender formulation and finalization committee for the expansion of KEMP (108) and Patient Transport Ambulance under JSSK – clarification – Reg.

Ref :- Your letter No.KMSCL/EP/238/2013 dated 24/02/2014.

I am to invite your attention to the reference cited and to inform you the following :

i) It is seen that the tender formulation and finalization Committee has recommended not to register Ambulances in the name of Director of Health Services and recommended that ambulances can be taken back by the bidder after the contract period. However, the meeting of the committee of Secretaries held on 29/01/2013 to discuss the issue of procurement of ambulances and award of contract to the operating agency had recommended that it will be the responsibility of the operating agency to get the vehicles registered in the name of Director of Health Services. Action has to be taken in accordance with the recommendation of the committee of Secretaries.

ii) The Committee recommendation that first registration of all 570 Vehicles shall be on or after 01/01/2014 cannot be agreed to. Since if the above condition is incorporated there may be chances of inclusion of old vehicles registers on 01/01/2014 also in the fleet of ambulances, which is not acceptable as all vehicles shall be new and registered after finalisation of the tender.

iii) As per item No.7 of the recommendation of the Committee the bidder need not necessarily own the all 570 vehicle. this clause also cannot be agreed to.

iii) As recommended, the ALS Ambulances may be returned to Director of Health Services and may be allotted for inter hospital transfer as it will improve the functioning of the hospitals.

You are requested to make necessary changes in the tender form accordance to the above clarifications and furnish the same to the department immediately.

Yours faithfully,

Dr. K. Ellangovan
Secretary to Government.

Approved for issue,


Section Officer.

REPORT OF THE TENDER FORMULATION AND FINALIZATION COMMITTEE
HELD AT KMSCL H.O ON 22.02.2014 TO FINALIZE THE TENDER CONDITIONS
FOR THE SCALING UP OF KEMP 103 OPERATIONS TO THE ENTIRE STATE
AND ALSO TO OPERATE PATIENT TRANSPORT AMBULANCES UNDER JSSK

Ref. 1. G.O(Ms) No.56/2014/H&FWD dated 17/02/2014

2. G.O(Rt) No.545/2014/H&FWD dated 18/02/2014

3. G.O(Rt) No.589/2014/H&FWD dated 21/02/2014

4. Govt.Lr. no. 9484/J1/2014/H&FWD dated 21/02/2014

The committee constituted vide GO 3rd referred above chaired by Dr. M. Beena IAS, State Mission Director, NRHM with Dr. P.K Jameela, Director of Health Service and Sri. R. Kamalahar IFS, Managing Director, KMSCL as members met at KMSCL head office. The committee recommended that instead of operating agency procuring the vehicle in the name of DHS, it can be provided by the successful agency and operated for a period of 60 months. The vehicle can be taken back by the bidder after the contract period. The committee recommended the following for the approval of the Government:

1. Qualification for tenderer

The bidder should have an experience of two years within the period of last five years in providing the emergency ambulance services in any State in India or in any part of the State or part of the State with a fleet of at least 100 ambulances supported by a centralised control room.

The bidder should have an experience in computer telephony integration with the emergency call combined with geographical information system and GIS based system to facilitate quick dispatch of vehicles.

The bidder should have a comprehensive training system for the driver and supervisor and should have implemented the emergency response system.

The bidder should have a turnover Net Worth of at least RS. 75 crores as on the date of submission of the tender. The lead member shall have not less than 10% share in the bidder.

2. Bid amount

The bidder should submit the bid in two parts in the tender subject to the

The bidder should submit the bid in two parts in the tender subject to the

The bidder should submit the bid in two parts in the tender subject to the

of tender submission. The roles and responsibilities of consortium members should be clearly defined

- c. The lead consortium member should be registered in India.
- d. If the foreign partner has a consortium arrangement with other partners and undertakes to provide the needed technical support to the consortium or bids directly through a fully owned subsidiary, the experience of International partners should be considered.

2. The rates offered in the tender shall be as "Expenses for providing brand new 287 BLS and 283 Patient Transport Ambulances as per specification annexed and running 2000 km per ambulance and operating call centre as per the conditions of the tender per month". The rates should be firm for entire 5 years (60 months). The rate offered shall be inclusive of local tax, service tax and any other tax and insurance.

3. The expenses for running 570 ambulances for a maximum kilometer of 2000 per ambulance per month and additional kilometer will be reimbursed at the rate of Rs. 15/- per kilometer for ambulance run beyond this limit on cumulative basis per month for all the 570 vehicles combined. Additional kilometers payment will be reimbursed only if the total kilometers travelled by all the 570 ambulances deployed in the state crosses 11,40,000 (2000 x 570).
 4. The cost of additional kilometers run over the state average of 2000 km.

5. The tender for all the 570 vehicles shall be on or after 01/01/2014.

6. The bidder shall be liable to operate the ambulances as per the contract.

7. The bidder shall be liable to operate all the 570 vehicles. However, each of the vehicles shall be under the control of the bidder till the completion of the contract.

8. The bidder shall be liable to pay the contract amount for the entire period of 5 years.

9. The bidder shall have the right to inspect any

ambulances or control room at any point of time

11. The minimum call taking staff in the control room shall be 100 for 24/7 operation. According to the call flow the numbers should be increased to ensure that not a single call is missed.

12. The running expense for ambulances shall be made on a quarterly basis after submission of bills.

13. The operator shall provide a web enabled ERP solution, which will compute the response time, vehicle down time, GPS/GPRS downtime, total service downtime, etc. so as to monitor and evaluate the performance including calculation of penalty if any.

14. Vendors should have exit clause of 90 days.

15. All ambulances shall be returned to DHS and to be allotted to DHS hospitals to cater hospital transfers.


STATE MISSION DIRECTOR

MINUTES OF THE MEETING OF THE TENDER FORMULATION & FINALIZATION COMMITTEE TO FINALIZE THE TENDER CONDITIONS OF KERALA EMERGENCY MEDICAL SERVICES PROJECT (KEMP) HELD AT THE CHAMBER OF SECRETARY (H&FWD) at 3p.m. on 09.07.2014

Dr. K. Ellangovan IAS, Secretary (H&FWD), Chairman & Managing Director, KMSCL, chaired the meeting. Other members of the meeting were: Additional Secretary (Finance), Director of Health Services and Chief Engineer, NRHM.

The Secretary welcomed all the members and briefed the current status of implementation of KEMP and informed that the Government has issued certain clarifications on the queries raised in the previous bid meeting such as the vehicles has to be registered in the name of DHS, the mode of reimbursement of capital expense and also on the deployment plan. However certain other queries raised by the prospective bidders during the pre-bid meeting held on 06/03/2014 and 05/04/2014 were not addressed so far. Therefore tender invited earlier was cancelled as per the advice of the Finance department as amendments were sought on the pre-qualification conditions.

Therefore Secretary stated that the objective of the meeting as one to finalise tender conditions including pre-qualification criteria. The committee after detailed discussions and deliberations decided the following:

The tender invited initially has stipulated that the ambulances have to be provided by the successful bidder and the expenses will be reimbursed over a period of 60 months and one of the pre-qualification criteria was specified as RS. 75 crores net worth for the prospective bidders. As per the recommendations of the Secretaries committee, the Government has decided that the vehicles has to be registered in the name of DHS and the capital expense has to be reimbursed to the successful bidder. Most of the bidders who had participated in the pre-bid meeting have sought relaxation in the net-worth criteria. Since the capital expense and the reimbursement expense required for the project is being reimbursed and in order to get maximum participation and to obtain a competitive bid, it

was decided to incorporate the following clause instead of the clause 4.20.4 of the tender invited earlier.

"The bidder should have a positive current net worth as on 01/04/2014. In case of consortium, the lead member shall have a positive current net worth. CERTIFICATE OF SUCH NET WORTH BY A FIRM OF CHARTERED ACCOUNTANTS HAVING PRACTICE IN INDIA SHOULD BE PRODUCED".

2. The vehicles shall be deployed within 6 months from the date of signing the agreement with the successful bidder. The deployment plan will be provided by the Director of Health Services and the same will be provided to the successful bidder along with the award of contract. The procurement and deployment of Patient Transfer Ambulances will be strictly based on necessity.

3. The EMD shall be Rs.1.2 Crores which is 1% of the estimated capital and operating cost for the first year, which shall be submitted on-line through the e-tender portal.


4. The performance security deposit shall be 5% of the capital and operating cost for the first year offered by the successful bidder which can be furnished as DD/BG or BG as furnished it shall be valid for 66 months.

The service of KEMP is provided free of cost to the public. It is common sense service provided without any cost will be utilised to its maximum. The average kilometre travelled in a month by the present ambulance in the KEMP is more than 8000 kms. It is proposed to purchase 287 BLS ambulances at the maximum of 283 PTA. Hence it was decided to specify the average kilometre per month as 2000. The additional kilometre travelled will be reimbursed only if the total kilometre travelled by all the ambulances exceeds 2000 X no. of vehicles deployed in the state.

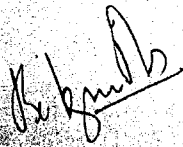
for any given month (BLS + PTA). Additional kilometre will be reimbursed Rs. 15/- per kilometre for both BLS and PTA.

6. The Patient Transport Ambulances will be operated under the JSSK scheme which will be mostly a planned operation for the transport of pregnant women from home to hospital for delivery and drop back to home and also for newborn till 30 days after birth. Hence it was decided to operate all Patient Transport Ambulances from 8 am to 5 pm.
7. It was decided to incorporate necessary corrections as per the decisions taken, in the draft tender document circulated during the meeting and to invite the tender on 15.07.2014

Meeting concluded at 4.30 pm



Dr. P.K. Jameela
(Director of Health Services)



V.K. Balachandra Kumar
(Addl. Secretary, Finance Dept)



Pyramadas (representing SMD, NRHM)
(Deputy Chief Engineer, NRHM)



(CHAIRMAN & MANAGING DIRECTOR)

Minutes of the meeting to operationalise KEMP in Kerala

Chair : Smt.P.K.Sreemathi Teacher, Hon:ble Minister for Health & Social Welfare of meeting, 7-12-2010

Members :

1. Shri.Srinivas, IAS, Special Secretary (H & FW)
2. Shri.Saurabh Jain, IAS, State Mission Director (NRHM)
3. Shri.Biju Prabhakar, IAS, Managing Director (KMSCIL)
4. Dr.M.K.Jeevan, Director of Health Services
5. Dr.V.Geetha, Director of Medical Education
6. Dr.P.K.Jameela, Addl DHS (FW) & State Program Manager (NRHM)
7. Shri.A.B.Pradeep Kumar, Chief Engineer (NRHM)
8. Shri.K.Suresh, State Admn & HR Manager (NRHM)
9. Shri.P.V.Ramadas, Sr. Consultant (Engg), NRHM
10. Shri.Madhu R.T, SHTO & CCO (i/c), DHS office

The meeting started at 3.30 pm. The Hon:ble Minister welcomed all the participants. Hon:ble Minister informed that the main aim for today's meeting is to finalise three issues in a very speedy manner.

1. Process to operate 25 ALS ambulances already purchased at present
2. Conditions to be relaxed on Expression of Interest which is to be floated by NRHM to operate 25 ambulances for Alapuzha and to scale it up.
3. Procurement of 100 BLS ambulances.

Item No. 1 : Process to operate 25 ALS ambulances already purchased at present

The Hon:ble Minister informed that the available 25 ALS ambulances are to be operationalised for the General Public on a MOST IMMEDIATE basis. It was suggested that since the process of inviting EOI may take a little more time, the ambulances are to be attached to institutions along the National Highway/State Highway and operationalised. This should be for a period of three months, extendable for another three months.

The ambulances (22 nos) should be provided in institutions in the National Highway in the districts of Kollam, Alapuzha, Ernakulam, Thrissur, Palakkad, Malappuram, Kozhikode, Kannur and Kasaragod. Further, one ALS ambulance each is to be made available for District Hospital -- Kottayam, District Hospital - Idukki and General Hospital - Kalpetta. Institutions should be decided by Directorate of Health Services. The institutions to be identified by 8th December 2010.

(Action - DHS)

NRHM should call for a short tender for operationalising the 25 ambulances as detailed above. The tender is to be finalized by 24th December 2010.

(Action - NRHM)

Comprehensive insurance for all the 25 vehicles is to be taken by Director of Health Services for a period of One year. Funds for the same is to be provided by NRHM.

(Action - DHS, NRHM)

Inauguration of the operationalisation by 1st week of January 2011.

(Action - All concerned)

Engineer (NRHM) informed that at present, "108" stickers have been affixed in the ambulance. It was decided that a decision on change of stickers can be taken by after completion of above short tender.

(Action - NRHM)

No. 2 : Conditions to be relaxed on Expression of Interest which is to be floated NRHM to operate 25 ambulances for Alapuzha and to scale it up.

Special Secretary (Health) informed that Government had taken decision to cancel present tender for operating agency and go for retender after fresh EoI for the whole except Thiruvananthapuram district. He said that Government had directed NRHM amend the qualifying criteria suitably to encourage more competition and to complete process of inviting new EoI and fresh tendering within 2 months. State Mission Director (NRHM) informed that since original EoI had been approved by Government, NRHM had requested Government to call for a meeting to discuss and finalise the details of amending the qualifying criteria. Special Secretary informed that the following changes are to be made in the EoI.

1. Criteria of "India Experience" in the EoI for operating 25 ambulances for Alapuzha and to scale it up should be removed
2. Consortium to be allowed to participate in the EoI for operating 25 ambulances for Alapuzha and to scale it up. The members of the consortium can have any one or more of the different qualifying expertise/experiences required for operation.

Managing Director, Kerala Medical Services Corporation suggested that those who have Fleet Management experience could also be considered. The suggestion was approved.

It was decided that NRHM should call for fresh EoI based on the above-mentioned relaxation. Similarly the RFP document draft shall also be prepared taking into consideration the relaxation that has been decided.

(Action : Special Secretary to Government, NRHM)

Item No. 3 : Procurement of 100 BLS ambulances

The Hon'ble Minister informed that Government intends to expand one KIEMP to all districts for which 100 BLS ambulances are to be purchased and provided for service to the general public. 50 ALS ambulances already purchased along with 100 BLS ambulances should be deployed throughout the State and services provided to the needy public; to be operationalised within a period of three months. Sufficient funds are to be made available through various resources and hence there cannot be any financial issues for procurement. Hon'ble Minister directed NRHM, DHS and KMSCI to work as a single unit and effect procurement of 100 BLS ambulances so that the services are provided to the public at the earliest. DHS shall procure the ambulances for which funds is to be made available from NRHM. The additional funds required shall later be recouped when TRP funds or any other funds are allotted for this purpose.

The type of specification of ambulances came up for discussion. Managing Director (KMSCI) informed that ambulances are being provided by Force Motors and Tata. Sr Consultant (Hing) informed that Force Motors are supplying ambulances for the past 25 years and are of proven standards while Tata has been in business for the past four years only.

decided to have a committee of the following officers to finalise the specification and make of the ambulance. The members of the committee are

1. State Mission Director (NRHM)
2. Managing Director (KMSCL)
3. Chief Engineer (NRHM)
4. State Health Transport Officer, DHS Office

The committee is to finalise the specification and make of the ambulance by 15th December 2010.

(Action – nominated Committee)

Kerala Medical Services Corporation should call tender for equipment, fabricating and equipping the ambulances. It was informed during the meeting that tentative specifications are ready with KMSCL which may be finalized in consultation with NRIIM with approval of Chairperson EC NRIIM. Purchase order for procurement of equipments, fabricating the ambulances and equipping the ambulances should be given by 15th January 2011. KMSCL can utilize the funds already provided by NRIIM for procurement of MMU for this purpose.

(Action – KMSCL)

The Hon:ble Minister reiterated the importance of providing all ALS as well as BLS ambulances for the public in time. She informed that the dates specified in the minutes are to be adhered to by all officers. She instructed that comprehensive Government orders on points above as required be issued by Government by 20th December 2010.

The meeting ended at 5 pm with thanks to the chair.

Sd/-
Special Secretary
Health and Family Welfare

Sd/-
Minister for Health and Social Welfare

NATIONAL RURAL HEALTH MISSION
(Arogyakeralam)

Phone No. - 0471 220111
Tele Fax - 0471 220111
Website www.arogyakerala

NRHM/132/O/E//KEMP/2007

15-10-09

From

The State Mission Director

To

Secretary
Health and Family Welfare Department
Government of Kerala
Thiruvananthapuram

Sub: Providing ALS ambulances in the district of Thiruvananthapuram and
Kannur- Procurement of Force delivery van

- Ref: 1. G.O.No.619/2008/H&FWD dated 30-12-2008
2. GO(Rt)No.2709/2009/H&FWD dated 19-09-2009
3. GO(Ms)No.342/2009/H&FWD dated 30-9-2009
4. Letters no. HT-54332-A/2009/DHS dated 7-10-09
5. Letter no.HT-54332- B/2009/DHS dated 7-10-09
6. Minutes of meeting for fixing the model of vehicle to be provided for KEMP held
on 15th October 2009
7. Letter No. HT-54332-A/2009/DHS dated 13 -10-09
8. Letter no.4233/PUR/KMSCL/2009 dated 14-10-09

Sir,

*Pl put up
on file
my
16/10/09*

The Government of Kerala had vide the order cited 1st above decided the
formation of a project titled "Kerala Emergency Medical Service Project (KEMPS), and
the nodal department for the project was to be the Health and Family Welfare
Department. Based on subsequent discussions the government had notified two
separate orders for procurement of Ambulances for the district of Thiruvananthapuram
and Kannur as per reference cited 2 and 3 above. Subsequently, based on the
Government Orders, the Director of Health Services has now vide letters cited 4 and 5
above placed orders for the supply of the Force Traveller ambulances at DGS&D rates
from M/s Force Motors.

In the meantime tender for equipping and fabricating ALS ambulance was
called for by KMSCL as per Tender No.26/AMBU-KEMP/KMSCL/2009-10. The
Managing Director, KMSCL has informed that the successful bidder has opened

equipping ALS ambulance is easier and much economical and technically feasible with Force Delivery van, instead of Force ambulances, for which orders have been placed. The copy of orders issued in other states is attached herewith. This technical aspect was discussed with the Chief Consultant (Engg.) - NRHM, Cold Chain Officer - DHS office, State Transport Officer - DHS office and the Consultant (Biomedical), - NRHM. The officials have informed that equipping the delivery vans are more economical and technically viable owing to the following reasons.

1. The delivery vans have 270 degree rear opening when compared to 180 degree rear opening of ambulances. The 270 degree opening can ensure better patient handling during emergencies especially the movement of trolleys.
2. The absence of glass windows in delivery van ensures better fixing of advanced life supporting equipments and complete internal FRP lining for thermal insulation and better infection control.
3. The cost of delivery van is comparatively cheaper than ambulance. State Transport officer, DHS vide reference 6 cited, has informed that the cost of the ambulance is Rs.6 54,940.53 and the rate for Delivery van is Rs.5,75,360.95. **Thus, there will be a saving of Rs.79,579,58/- per ambulance.** The copy of the minutes is attached herewith.

As the GO mentioned procurement of ambulances, the DHS had issued supply order for the same. The matter was informed to the DHS by the State Transport Officer and hence DHS has now issued a letter vide reference cited 7 to M/s. Force Motors asking them not to supply ambulances in anticipation of the Government Order, till a final decision is made. The Managing Director, of KMSCL has also been informed about this.

Also vide the Government order 4th read above, Government has authorized Director of Health Services for procuring 14 Mobile Medical Units (MMU) which then are to be equipped by KMSCL. It is suggested that the MMU procurement as well equipping may be entrusted to KMSCL since this will save time.

Thus owing to the reasons mentioned above, a revised Government Order may be

dated 12.10.09 informed that in a meeting held on 12th October 2009 held at the State Mission with NEDM officials, State Health Transport Officer - DHS office, Mrs. Aeon Medicals, M/s. Force Motors, etc. it was suggested that instead of Ambulances, it would be better if the fabricating and equipping are made in a delivery van citing of the following reasons.

Since medical devices are to be fit in the ambulance, it is mandatory for these devices to be mounted on the side wall of the vehicle. The "ambulance" model has 3 windows in each side and hence it will not be possible to mount these devices on the side wall of the vehicle whereas for delivery vans, such an issue will not arise.

1. For delivery van, there will be only one quarter window on each side of the vehicle, at the back and two rear glasses on the rear door.
2. For delivery van, 270 degrees rear door opening is available which will be convenient for trolley loading
3. A superior Electrical system is available in delivery vans.
4. A closed delivery van which will ensure sterility, hygiene and good thermal insulation

The proposed delivery vans are similar to Ambulances except for the above-mentioned points and such delivery vans are used in other states for conversion to Advanced Life Saving Ambulance. Even though Kerala Medical Services Corporation had called for equipping ambulances, there won't be any difference if delivery vans are equipped instead ambulances and Kerala Medical Services Corporation need not go for any separate tender due to change in the vehicle. It may also be noted that there will be no change in cost for equipping the delivery vans instead of ambulances.

In these circumstances, it is requested that the action of KMSCL in requesting for a revised financial bid for equipping 50 vehicles (delivery vans) may be ratified. Also, KMSCL may be authorized to award the work of equipping additional 25 delivery vans to Advanced Life Saving Ambulances to the bidder already selected through a tender process.

Yours faithfully,



Managing Director

Copy to

1. State Mission Director (Arogyakeralam).
2. Director of Health Services
3. P.S. to Minister for Health & Social Welfare for information.



GOVERNMENT OF KERALA

Abstract

Health & Family Welfare Department – Kerala Emergency Medical Service Project (KEMP)- Procurement of Ambulances - Orders issued.

HEALTH & FAMILY WELFARE (M) DEPARTMENT

GO(MS)No. 375/09/H&FWD. Dated, Thiruvananthapuram, 28.10.2009

- Read : 1. G.O.(MS)N0.619/2008/H&FWD dated 30.12.2008.
 2. G.O.(Rt)2709/2009/H&FWD dated 19.09.2009.
 3. G.O(MS)342/2009/H&FWD dated 30.09.2009.
 4. Lr.No.4233/PUR/KMSCL/2009 dated 16.10.2009 of MD, KMSCL.
 5. Lr.No.NRHM/132/C(E)/KEMP/2007 dated 15.10.2009.of SMD, NRHM

ORDER

As the per the G.O read as second paper above, sanction was accorded for the purchase of 25 ALS Ambulances by Director of Health Services under DGS&D rates under Kerala Emergency Medical Service Project (KEMP) in Thiruvananthapuram District. It was also ordered therein that the vehicles would be equipped by Kerala Medical Services Corporation Limited (KMSCL) for conversion to ALS Ambulance following the tender process.

2. As per the G.O read as third paper above sanction was accorded for the purchase of 25 ALS ambulances in Kannur District also. Sanction was also accorded for the purchase of 14 MMUs, one each for each district and equipped by KMSCL with funds from NRHM.

3. These Government Orders had specified that the 50 ALS & 14 MMUs would be equipped by KMSCL following tender processes. The MD, KMSCL and

State Mission Director, National Rural Health Mission, the letter read 4th and 5th above have informed that it would be better to provide Delivery Vans instead of Ambulances for transportation and equipping as Advance Life Saving Ambulances citing the following reasons.

Since medical devices are to be fit in the ambulance, it is mandatory these devices to be mounted on the side wall of the vehicle. The ambulance model has 3 windows in each side and hence it will not be possible to mount these devices on the side wall of the vehicle whereas for delivery vans, such issue will not arise. For Delivery Vans, there will be only one quarter window on each side of the vehicle at the back and two rear glasses on the rear door. For Delivery Van, 270 degrees rear door opening is available which will be convenient for trolley loading. A superior Electrical system is available in delivery vans. closed Delivery Van which will ensure sterility, hygiene and good thermal insulation.

4. In the letter read as fifth paper above, the State Mission Director, NRHM has also informed that the delivery vans are more economical and technically viable. The State Mission Director has accordingly requested for Government Orders for procurement of 50 Delivery Vans of suitable model instead of ambulances and has also requested that orders placed by Director of Health Services for the purchase of ambulances may be cancelled.

5. The State Mission Director has also requested to entrust the procurement of 14 Mobile Medical Units with KMSCL instead of through Director of Health Services as ordered by G.O. read third above.

6. Government have examined the matter in detail and found that there will be financial savings of around Rs.40.00 lakhs by going for procurement of Force Delivery Vans, in lieu of Force Ambulances ordered now. Besides, the change is also found to be advisable due to the technical advantages in equipping Delivery Vans for converting them ALS Ambulances. Accordingly sanction is accorded for canceling the purchase order for the supply of Force Ambulances issued by DHS.

6.1. Administrative sanction is also accorded for procurement of 50 numbers of Force Delivery vans meeting the technical specifications for equipping and

converting as ALS ambulances for the Kerala Emergency Medical Service Project to be implemented in Thiruvananthapuram and Kannur districts in the pilot stage. DHS is directed to take necessary steps for procurement of 50 numbers of For Delivery Vans as above and hand over them upon delivery to KMSCL for equipping as ALS ambulances.

6.2 Sanction is also accorded for the proposal of SMD, NRHM for equipping 50 Delivery vans into ALS ambulances as part of the Kerala Emergency Medical Service Project, through KMSCL.

6.3. Sanction is also accorded to SMD, NRHM to purchase 14 numbers of fully equipped Mobile Medical Units (one per district) through KMSCL, following the necessary formalities.

7. State Mission Director, NRHM and Managing Director, Kerala Medical Services Corporation Limited, should ensure that proper tender formalities as per the rules are followed.

8. The Government Orders read as 2nd and 3rd paper above stand modified to the above extent.

(BY ORDER OF THE GOVERNOR)

P. VANAJA
JOINT SECRETARY

To

The State Mission Director, NRHM, Thiruvananthapuram.
The Director Health Services, Thiruvananthapuram
The Director of Medical Education, Thiruvananthapuram
Managing Director, Kerala Medical Services Corporation Limited,
Thiruvananthapuram
The Director, State Health & Family Welfare Society, Thiruvananthapuram
Stock file/Office copy.

Forwarded/By Order

S. J. S. S. S.
Section Officer.

ok

Copy to P.S. to Minister (Health & Social Welfare)
P.A. to Secretary (Health)

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INDIA NON JUDICIAL**

भारत KERALA

AGREEMENT

D 858

This agreement is made on this the 1st day of October 2009 in Thiruvananthapuram between ZIQITZA Health Care Private Limited a private limited company having its registered office at 401-B, Niranjan 99, Marine Drive, Mumbai - 400 042 hereinafter referred to as "ZIQITZA" (which expression shall include its successors and assigns) of the First Part represented by Sri. Nijil Ibrahim Project Head-Kerala:

AND

The State Health and Family Welfare Society, Government of Kerala having its registered office at DHS campus, General Hospital Junction, Thiruvananthapuram hereinafter referred to as "SHFWS" (which expression shall include its successors and assigns) of the Second Part represented by Dr. Dinesh Arora, State Mission Director, NRHM Kerala

ZIQITZA and SHFWS are hereinafter collectively referred to as the "Parties" and individually as the "Party"

WHEREAS

SHFWS intends to provide 24 hours per day and 365 days a year basis Emergency Medical Response Services in the state of Kerala (the "State") to ensure timely medical attention in cases of emergencies, and

SHFWS invited Expression of Interest dated 12th January 2009 for developing and operationalising Kerala Emergency Medical Services Project ("KEMP") initially in the district of Thiruvananthapuram on a pilot basis. The pre-bid conference was held on 27th January, 2009 and Request for Proposal was given to all the short-listed bidders

ZIQITZA participated in the bid through an application dated 4th February, 2009 to provide the Emergency Medical Response Services as per the terms of the Request for Proposal.

ZIQITZA was qualified as the successful bidder and SHFWS intends to appoint ZIQITZA to implement Kerala Emergency Medical Services Project (KEMP) initially in the district of Thiruvananthapuram on a pilot basis, and the Governing body of the SHFWS having authorised SHFWS to enter into an Agreement with ZIQITZA for this purpose.

(Handwritten signature)



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NOW THEREFORE THE PARTIES hereby agree as follows:

1. PERIOD OF AGREEMENT

The agreement shall be for a period of 03 (three) years and may be extended later by mutual consent.

2. OBJECTIVES

The Parties shall acknowledge that the main objective of this Agreement is to provide comprehensive emergency response services to the entire population of Kerala in phases subject to satisfactory implementation of the project in Thiruvananthapuram. Pursuant to this objective:

ZIQITZA shall develop and operationalise the Emergency Response Services to the entire population of Kerala initially in the district of Thiruvananthapuram and thereby providing comprehensive range of services extending through both pre and in-hospital emergency medical services and shall also serve as the point of first contact for police and fire.

ZIQITZA shall assist the state to achieve a 20% reduction in mortality and morbidity rates in an emergency.

The parties shall endeavour to ensure that the operations under KEMP are open and transparent and strictly as per the requirements of KEMP.

3. RESPONSIBILITIES OF ZIQITZA

ZIQITZA shall carry out all the activities specified as follows.

1. ZIQITZA shall establish and operate Emergency Response Services in the district of Thiruvananthapuram without levying charges from the distressed. The Service shall be provided as per the international protocols and service optimization policies.
2. ZIQITZA shall provide technological, leadership, administrative and managerial support in an open and transparent manner to produce mutually agreed outcomes.
3. ZIQITZA shall develop a suitable integrated solution including Computer Technology, Integration, Voice logger system, Geographic Information systems (GIS), Geographical positioning systems (GPS), Automatic vehicle Location Tracking (AVLT), Computer Aided Dispatch (CAD) and mobile communication systems.
4. ZIQITZA shall provide the Application Software and hardware components for KEMP. ZIQITZA shall also update the software periodically as per requirement.
5. ZIQITZA shall serve as a vital emergency management information and assistance resource. ZIQITZA shall also raise societal awareness of, and capability in, Emergency Management and Response mechanisms and thus save lives and reduce the economic impact to the citizens, firms and the government through appropriate awareness, education and capacity building programs.
6. ZIQITZA shall operate the ambulances and ensure that ambulance services are available on 24 hours per day and 365 days a year basis to the people in the district of Thiruvananthapuram without any charges being levied from the public.
7. ZIQITZA shall recruit, train and position the required man power, including Pilots (drivers), and Emergency Medical Technicians (EMT) who will be present in the ambulance while shifting an emergency case to the hospital.



- ZIQTZA shall start its even-ambulance operations under KEMP at least one Pilot and one EMU and the pilot and other EMUs to provide patient-stabilization, first-aid and transportation care.
- ZIQTZA shall provide daily operational, monthly (administrative and financial) reports and quarterly fund utilization statements to the State Health and Family Welfare Society, SHFWS.
- ZIQTZA shall attend periodical review meetings held by the Government or SHFWS (physically or virtually) for the assessment of the operationalization of the scheme.
- ZIQTZA shall maintain separate financial accounts and records of its operations in Kerala. These accounts shall be duly audited by a Chartered Accountant firm as approved by SHFWS and furnished to SHFWS by the end of the first quarter of the succeeding year.
- ZIQTZA shall make all attempts to attend every emergency call that is received at the Emergency Response Center.
- ZIQTZA shall bring in technology and service excellence and work towards improving delivery of emergency response of global standards over a period of time.
- ZIQTZA shall liaise with various departments and agencies of the Government of India to facilitate easy and early establishment of Emergency Response Center by allotting toll free number (108) to the state of Kerala and for every districts. ZIQTZA shall also liaise with all the service providers of landline and mobile phones to terminate the toll free call made from their network to the Emergency Response Center.
15. ZIQTZA shall establish standards and procedures for accrediting various service providers such as hospitals and ambulances so that quality standards are met. ZIQTZA shall assist the Government in Accreditation and such other standardization procedures from time to time.
16. ZIQTZA shall conduct periodic training programs for 25 Doctors, 25 paramedics, and 50 others engaged in Emergency Response service in the hospitals in Thiruvananthapuram assigned by SHFWS. The training content shall be as per Annexure A. ZIQTZA shall also conduct academic activities (workshops/seminars) as required for governmental doctors, paramedics and others.
17. ZIQTZA shall conduct periodic training programs to policy makers, government personnel and others for which expense shall be reimbursed to ZIQTZA.
18. ZIQTZA shall strive for continuous improvement in emergency management through strategic partnerships, innovative programs, and collaborative policies.
19. ZIQTZA shall undertake applied research assignments in implementing Emergency Response Services in the field.
20. ZIQTZA shall provide awareness building about the KEMP across the state as and when the project is implemented across the state.
21. ZIQTZA shall provide arrangements with telecom service providers to route the calls through a common number 108.
22. ZIQTZA shall design, develop, operate and maintain the Emergency Response Center and all requirements including refurbishing, renovation, equipment etc shall be managed ZIQTZA.
23. ZIQTZA shall continue to maintain professional, transparent and ethical management culture to provide emergency response services.



4 RESPONSIBILITIES OF SHFWS

1. SHFWS shall procure and provide each ambulance with the following:
 - (a) Ambulances: Basic Life Support Ambulances for deployment in Thiruvananthapuram district, Thiruvithal and SHFWS's base. The specifications of Advanced Life Support Ambulances are as per the details provided in Annexure B.
2. The Ambulances Life Support Ambulances shall be fully insured and equipped to provide Emergency Response services to the needy people requiring pre-hospital care.
3. SHFWS shall provide premises of at least 500 sq. ft. of carpet area at a convenient location within 30 days of signing this Agreement for setting up the Emergency Response Center (control room).
4. SHFWS shall provide funds in advance to meet the:
 - (a) Operational expenditure (salaries, ambulance operational costs, fuel, maintenance, medical consumables, etc.), telephone, awareness building, training, separate cost, recruitment and administration, etc.) in advance quarterly installments before the commencement of each quarter.
5. Any other reasonable unforeseen expenses will be reimbursed on actual basis.
6. SHFWS shall provide furnished ambulance stations, shelters, offices and night halt facilities for all operational ambulances in suitable health care institutions.
7. SHFWS shall coordinate with the concerned authorities in the Health and Family Welfare Department to issue necessary instructions for making available required emergency medical facilities and strengthen the facilities in all the Primary Health Centers, Community Health Centers, General Hospitals, and other hospitals in the district.
8. Make all efforts to ensure the availability of medical and paramedical staff, equipment, medical supplies, and drugs for effective handling of emergencies in the government hospitals and to coordinate with all departments for making the healthcare services available to the beneficiaries.
9. Undertake to coordinate with the concerned authorities in the Police, Fire, Transport and other departments to issue appropriate instructions to the field officers of these departments for making available required assistance and resources.
10. Undertake to provide appropriate legal protection to all the staff engaged in the provision of Emergency Response Services, while discharging their legitimate duties.
11. Take up with Government to issue suitable administrative instructions to the field officers of all relevant departments in the government, so as to prevent diversion of the ambulances under KEMP for any purposes other than as described in this agreement. The ambulances under KEMP shall not be used for routine transportation of dead bodies under any circumstances.
12. Provide statutory framework to enable efficient response to emergencies and establish policies and procedures that enhance better co-ordination among the multiple government departments and agencies.
13. Promote research in academic institutions to improve emergency response mechanisms.



- Promote public awareness in emergency response and the telephone number 108 for emergency through various state agencies and departments.
- Collect the data pertaining to hospitals, police stations and fire service stations.
- Facilitate obtaining the data pertaining to telephone subscribers.
- Arrange instructions to the telecommunication providers to route the calls through a common telephone number 108.
- Set up a state level one and hold a committee at the state level under the patronage of the Health Minister to monitor the commissioning and operations of KEMP and shall include following members:

Chief Secretary, Govt of Kerala - Chair Person
 Secretary, Health, Govt of Kerala - Vice Chairman
 Secretary, Transport, Govt of Kerala - Member
 State Mission Director, NRHM, Thiruvananthapuram - Nodal officer
 Director General of Police - Member
 Director of Medical Education - Member
 Director of Health Services - Member
 State Programme Manager (NRHM) - Member
 Chief Engineer, PWD, Roads - Member
 Chief Consultant Engineering, NRHM - Convener
 Cold Chain Officer, DHS - Member
 State Transport Officer, DHS - Member
 Consultant (Bio-Medical), NRHM - Member
 Three Nominees of ZIQITZA - Members

The committee shall meet once in 3 months and evaluate the activities at the district, and recommend any changes suggestions, modifications required.

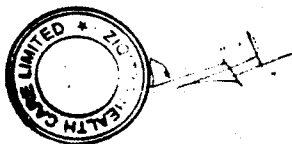
In addition there shall be district level committee at all districts where the project shall be extended and it shall be the responsibility of the District Health and Family Welfare Society to convene and hold the respective committee which shall have the following members:

District Collector - Chair Person
 District Medical Officer - Vice Chairman
 District Programme Manager - Convener
 Commissioner, Superintendent of Police - Member
 Executive Engineer, PWD, Roads - Member
 Assistant Bio-Medical Officer, NRHM - Member
 Two Nominees of ZIQITZA - Members

5. SCOPE

ZIQITZA shall set up the Emergency Response Centre ("ERC" or "Control Room"), for running Advance Life Support Ambulances ("ALSS") in the district of Thiruvananthapuram to provide 24 hours per day and 365 days a year basis pre-hospital emergency response services accessible to all through a 24-hour toll-free number 108 ("Emergency Response Service" or "Services"). ZIQITZA shall use latest technology and skilled manpower to perform Services.

[Handwritten signature]
 Director, Thiruvananthapuram



SHEWS may, if deemed necessary, infrastructure, financial resources and support including Ambulances per District. ZIQITZA shall permit SheWS to Network stations with the District of Thiruvananthapuram as per the terms of the Agreement. The cost of the Network shall be borne in equal parts by the Advanced Life Support Ambulances and the District. The cost shall be borne by SHEWS and ZIQITZA mutually in proportion to the respective station.

The services under KEMF may be extended in other districts in phases at the discretion of SHEWS. Based on the agreement between the parties. More districts may be added a number of ambulances in a district may be initially. SHEWS during the agreement period. SHEWS shall give 30 days prior notice to ZIQITZA to add a new district and ZIQITZA shall make all arrangements during this time.

6. Emergency Response Center or Control Room

1. ZIQITZA shall set up Emergency Response Center within 90 days of receiving possession of premises. However, if SHEWS intends to start the project earlier ZIQITZA shall make alternative arrangements to set up an Emergency Response Center temporarily within their existing facility without any extra cost to SHEWS.
2. The control room shall be designed, developed, operated and maintained by ZIQITZA and all requirements, including refurbishing, renovation, equipment etc would be managed by ZIQITZA.
3. ZIQITZA shall operate Emergency Response Center for 24 hours through a dedicated toll free three digit telephone number (108). ZIQITZA shall provide 10 parallel lines with hunting facilities for each district. Emergency Response Center will receive emergency call of the nature of medical, police and fire fighting service.
4. ZIQITZA shall procure and utilize Geographic Information System (GIS), Global Positioning System (GPS), Automatic Vehicle Location Track (AVLT), Computer Aided Dispatch (CAD), all the other necessary hardware software for computer telephonic integration and Voice loggers.
5. ZIQITZA shall equip all the twenty five Advanced Life Support Ambulances with Global Positioning System receivers and with two active mobile telephone connections and both connections shall be through two different service providers.
6. Emergency Response Center shall keep record of the contact numbers and location of each of the 25 Advanced Life Support Ambulances, all hospitals in the vicinity which can provide medical emergency, police stations and fire service centers in the area of operation.
7. On receiving call of medical emergency, Emergency Response Center shall communicate with the nearest Advanced Life Support Ambulance and the caller, and arrange to take the patient to the nearest hospital depending upon the severity of the patient's condition. On best effort basis, the concerned hospital should be informed in advance. Any call requiring assistance from police or fire fighting authorities shall be transferred accordingly.
8. The Emergency Response Center shall communicate with the Advanced Life Support Ambulance by means of voice as well data. The data includes the destination name, landmark and other relevant information shall flash on the monitor kept on each of the ambulance for the purpose.
9. ZIQITZA shall incur all the operational expenses relating to running the Emergency Response Center. Any additional services provided by ZIQITZA which have not been specifically agreed between the Parties under this Agreement shall be reimbursed by SHEWS to ZIQITZA at proportionate billing after verification, within 30 days of submission of bills.

[Handwritten signature]
 The undersigned represents and



[Handwritten initials]

ZIQITZA shall back-up Emergency Response Center to ensure service continuity in the event of any disruption in power or working in tandem with any other central room operated by ZIQITZA.

ZIQITZA shall provide the necessary staff to staff the Emergency Response Center to provide uninterrupted services.

ZIQITZA shall provide redundant systems for all the important components including voice pager, call taking, vehicle dispatch, etc. to provide flexible free 24 hours per day and 365 days a year (including emergency medical services).

ZIQITZA shall prepare the standard operating procedure framework (SOPF) for Emergency Response Center in consultation with SHFWS and the same shall include the content annexed to this Agreement as Annexure C.

7. ADVANCED LIFE SUPPORT AMBULANCES

Each Advanced Life Support Ambulances shall have one (1) driver and one (1) trained Emergency Medical Technician (EMT).

The Advanced Life Support ambulances shall be procured by SHFWS and will be handed over to ZIQITZA. ZIQITZA shall take care of all the ambulances with utmost care.

All the break-down and maintenance problems of the vehicle are to be done by ZIQITZA at its cost. Any warranty claims of the vehicle shall be coordinated and executed by ZIQITZA at SHFWS's satisfaction.

ZIQITZA shall replace at its cost all the missing tools or equipments from the ambulance with tools and equipments of same specification from the supplier of the ambulance equipments and tools.

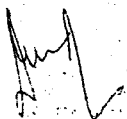
ZIQITZA shall meet all expenses towards Annual Fitness certification, Maintenance, Minor & Major repairs, replacement of tyres, batteries etc.

ZIQITZA agrees to make corrections on the log formats if SHFWS finds a correction is inevitable during the agreement period.

ZIQITZA shall prepare the standard operating procedure framework (SOPF) for Ambulance Operation in consultation with SHFWS and the same shall include the contents annexed to this agreement as Annexure D.

8. Ownership

The Advanced Life Support Ambulances and Emergency Response Center shall be owned by SHFWS. All final plans, drawings, specifications, designs, reports and other documents or software licenses submitted by ZIQITZA in the performance of the Services shall become and remain the property of SHFWS. Ownership of database and therefore the intellectual property rights for the database generated shall remain with the SHFWS. ZIQITZA may retain a copy of such documents but shall be governed by the confidentiality obligation under this Agreement.



 ZIQITZA HEALTH CARE LIMITED





9. Payment Terms

SHEWS shall provide following compensation to ZIQITZA

An amount of Rs.1,25,00,000/- (Rupees Two Crores and Fifty Lakhs only) shall be paid by SHEWS to ZIQITZA towards various expenditure for setting up the Emergency Response Center at Thirusananthapuram.

Capital Expenses shall be utilized by ZIQITZA to set up the Emergency Response Center at Thirusananthapuram and the Emergency Response Center shall be designed to add capacity to provide service to other districts in a phased manner. To expand the operation of KEMP in other districts by mutual agreement, subject to satisfactory implementation of the pilot project in Trivandrum district, separate orders will be issued by SHEWS and additional capital expense district-wise shall be provided to be mutually agreed.

Capital Expenses does not include the cost of premises provided by SHEWS. Within 15 days after signing this agreement, SHEWS shall make an advance payment of Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs Only) to ZIQITZA for initial work of the Emergency Response Center.

SHEWS shall pay the balance amount of Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakhs only) within 30 days of submission of the bill after setting up the Emergency Response Center by ZIQITZA.

SHEWS shall pay Operational expenses for an amount equal to Rs. 2,96,70,000/- per year for 25 ambulances (Rupees Two Crores Ninety Six lakhs and seventy thousand only) for a period of three years, initially for the districts of Thirusananthapuram to cover expenses including:

- i. Call center staff salary 24 hours per day and 365 days a year
- ii. Salary of ambulances staff of Emergency technician and driver - 24 hours per day and 365 days a year (Emergency technician to be trained in advances life support system from accredited agency)
- iii. Maintenance cost of Ambulance for 25 ambulances
- iv. Ambulance operational costs including fuel for 2000Kms per ambulance per month
- v. Recruitment, training, and administration etc.
- vi. Cost of consumables up to of 10 persons / ambulance / day.
- vii. Maintenance and operation of call center (to include telephone power and water charges)
- viii. In addition, SHEWS shall pay additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometers covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.
- ix. Yearly operational expense (one year of operation) increment can be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other states.

SHEWS shall make first quarterly payment of Operational Expenses at least 15 days before the official launch date of Emergency Response Service.

It is specifically agreed that ZIQITZA does not need prior approval of SHEWS for incurring any Capital Expenses, Operational Expenses and additional operational expenses from the funds available for use by ZIQITZA to implement the roles of ZIQITZA as per the agreement under the bid amount.

Any other reasonable unforeseen expenses shall be reimbursed on actual basis by SHEWS to ZIQITZA. SHEWS shall reimburse such expenses with thirty (30) days of receiving the invoice.

It is specifically agreed under this Agreement that ZIQITZA is not liable to pay or reimburse any rent for ALS ambulance, Control Room and ALS ambulance shelters, or fee or interest or any other amounts (except interest free Security Deposit) to SHEWS in any manner whatsoever.



of Capital and Operational Expenses under the agreement as for setting up the Control Room for the State Mission District and Operating 27 KEMPs in the District respectively. Any expansion of Services under the Agreement shall be at the State's cost, capital, additional expenses, Capital and Operating, and shall be upwards of the terms of the agreement in the next 2 years.

10. The Agreement shall be deemed the failure of ZIQITZA shall not stop or delay the services to SHFWS.

11. In an event of dispute between the Parties, SHFWS shall not stop or delay the payment to ZIQITZA unless the dispute regarding any payment is specifically agreed before.

10. Time Schedule

The work as per the contract shall be complete as per the following schedule:

Completion of Response Center	90 days from possession of premises
Training	Before the launch of KEMP
Start of operation	15 days from delivery of ambulances

11. Security Deposit

Within 15 days of signing the agreement ZIQITZA shall furnish a refundable interest free performance security for an amount equal to Rs 14,00,000/- (Rupees Fourteen Lakhs only) in the form of Demand Draft payable at The State Mission or Bank guarantee issued by a nationalized scheduled bank located in India, in any form acceptable to SHFWS and valid for Three years and three months from the date of signing the agreement in favour of State Mission Director, NRHM as and when further districts are added 2% of the additional capital expense and annual operational expense shall be paid as security deposit. The proceeds of the performance security shall be payable to the SHFWS as part of compensation for any loss resulting from ZIQITZA's failure to complete its obligation.

12. Taxes

The capital expenditure and operational expenses are inclusive of all taxes and duties and ZIQITZA shall bear sales tax, excise duty, customs duty as may be applicable. In the event the rates of the above taxes on the date of this agreement are revised upwards by the concerned government revenue authority, the differential between the present rate and the revised rate shall be paid by SHFWS. In the event rates of taxes on the date of this Agreement are revised downwards, ZIQITZA shall pay taxes on actual basis and will not be liable to pay differential to SHFWS. All any other taxes including service tax but excluding three type of taxes (sales, excise and custom) as mentioned above shall be borne by SHFWS and SHFWS shall pay or reimburse these taxes as and when invoiced by ZIQITZA.

13. Insurance & Annual Maintenance Contracts for Equipments

- (i) ZIQITZA shall maintain adequate general comprehensive liability insurance and insurance covers for its personnel engaged in performing services under KEMP. ZIQITZA shall extend insurance cover on back to back basis i.e. as provided by the concerned insurance agency, and shall not be liable for any claim not covered by such an insurance policy. Upon ZIQITZA's request, SHFWS shall provide ZIQITZA with necessary support and documents necessary to obtain such insurance covers.
- (ii) ZIQITZA shall insure Emergency Response Center and equipments. ZIQITZA shall cover all equipments in the Emergency Response Center with appropriate Annual Maintenance Contracts provided by original vendors or authorized agents.



All equipments and furnishings of Advanced Life Support Ambulances are covered under comprehensive warranty for three years. SHEWS shall enter into comprehensive annual maintenance contract with the vendor for the equipment during the three year period and coordinate with Annual Maintenance contract with the Government of Kerala.

14. PENALTY CLAUSE

- (i) This agreement may be terminated by SHEWS on ninety (90) days written notice to ZIQITZA in the event of breach by ZIQITZA of the terms of this Agreement unless such breach is cured in the service rendered to SHEWS satisfaction in thirty (30) days after the written notice. The performance security shall be forfeited. If the agreement is terminated by SHEWS for the above reason, SHEWS will be freed from financial liability to ZIQITZA for any loss suffered by SHEWS on account of such termination of contract.
- (ii) Upon termination of this Agreement by SHEWS, ZIQITZA shall be entitled to receive all amounts due payable under this Agreement receivable by it up to the date of termination.
- (iii) The rights and obligations of either of the Parties which by their nature survive the termination of this Agreement shall not be extinguished by the termination of this Agreement. The termination of this Agreement or any circumstances aforesaid shall also not in any way affect or prejudice any right accrued to either Party against the other prior to such termination.
- (iv) On expiry or sooner termination of this Agreement, SHEWS shall provide reasonable time to ZIQITZA to remove its belongings from Advanced Life Support Ambulances and Emergency Response Center. If any ZIQITZA shall return Advanced Life Support Ambulances and handover the possession of Emergency Response Center to SHEWS on "as is" basis and shall not be liable in any manner whatsoever.
- (v) The rights and obligations of either of the Parties which by their nature survive the termination of this Agreement shall not be extinguished by the termination of this Agreement. The termination of this Agreement in any circumstances aforesaid shall also not in any way affect or prejudice any right accrued to either Party against the other prior to such termination.

15. Personnel

The Parties agree that all manpower resources deployed by ZIQITZA to perform Emergency Response Service shall be the responsibility and liability of ZIQITZA alone and at no point of time shall any of the persons personnel deployed by ZIQITZA be treated, held or construed as having been employed or offered employment by SHEWS or Government of Kerala.

16. Training

1. ZIQITZA shall provide necessary training to its personnel to effectively carry out Emergency Response Service. SHEWS shall obtain necessary approvals for the training programs and certification of the personnel who have undergone such training programs. SHEWS shall grant certifications to the personnel who have undergone such training programs.
2. ZIQITZA shall conduct all trainings as per Annexure A.
3. ZIQITZA shall train all their drivers and Emergency Medical Technicians periodically at its expense.
4. ZIQITZA shall train doctors and paramedics of Government healthcare institutions nominated by SHEWS as and when required as per clause 3(16) and 3(17) at ZIQITZA's cost.
5. ZIQITZA shall procure all the training materials and shall issue certificates and course materials to all the participants nominated by SHEWS as per clause 3(16) and 3(17).
6. ZIQITZA shall set up a training center in the Emergency Response Center in Thiruvananthapuram.



17. **Furnishing of Information**

ZIQITZA shall provide to SHFWS the Emergency Response Service. SHFWS will be the prescribed technical person.

18. **Conflict of Interest**

ZIQITZA agrees that any manufacturing or production of the drug is controlled by ZIQITZA or ZIQITZA have a right to direct the activities of participants in the drug in any goods or works resulting from or associated with the drug in the agreement form and part.

19. **Nodal Contact**

ZIQITZA shall nominate a single person for monitoring and coordinating Emergency Response Service. SHFWS shall also appoint a single person (not above or equal to the rank of an officer) for coordinating Emergency Response Service - AEMRP and serve as the point of contact for ZIQITZA.

20. **Confidentiality**

ZIQITZA agrees to keep confidential all proprietary and confidential information acquired under this Agreement. Such information may be disclosed to those employees, directors/officers/agents of ZIQITZA who need to know such information for the purposes of carrying out the Emergency Response Service, provided that such employees shall be informed of and subject to such confidentiality obligations. This obligations shall not apply to disclosure of confidential information that is or becomes generally available to the public, or was already known to ZIQITZA prior to the disclosure by SHFWS, permitted in writing by SHFWS, required under any applicable laws or governmental regulations or judicial or regulatory process or generally accepted accounting principles applicable to ZIQITZA, any legal action, suit or proceeding arising out of or relating to this Agreement.

The obligation of ZIQITZA shall survive the termination of this Agreement for a period of one (1) year thereafter.

21. **Force Majeure**

1. ZIQITZA shall not be liable for forfeiture of any of its deposit or termination for default, if and to the extent that, its delay in performance or other failure to perform its obligations under this Agreement if it is the result of an event of Force Majeure.
2. For purpose of this clause, "Force Majeure" means an event beyond the control of ZIQITZA and not involving the ZIQITZA's fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the SHFWS either in its sovereign or contractual capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

If a Force Majeure situation arises, ZIQITZA shall promptly notify SHFWS in writing of such conditions and the cause thereof. Unless otherwise directed by the SHFWS in writing, ZIQITZA shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.



22. **Non-Exclusive**

The Parties hereto are permitted to enter into similar agreements with other persons or entities, and the Parties hereto may be engaged in similar services with other persons.

23. **Representations and Warranties**

The Parties hereto represent and warrant to each other that:

(i) The Parties are duly formed and organized under the respective laws that they are subject to, with the power and authority to operate as contemplated in this Agreement;

(ii) The Parties have full power, capacity, and authority to execute, deliver and perform this Agreement, and has taken all necessary action to authorize the execution, delivery and performance of this Agreement;

(iii) This Agreement and each other agreement executed in connection herewith, if any, have been duly executed and delivered by the Parties and constitute legal, valid and binding obligations of such Party, enforceable against the other Party in accordance with the terms;

(iv) The Parties has obtained and complied with all clearances, permissions, approvals, conditions, notices, requirements etc. that are or have been required, for the due execution and delivery of, and performance under this Agreement;

(v) Each of the Parties represent that there is no litigation or other proceeding pending or, to the knowledge of each such Party or threatened against such Party or any of its affiliates which, if adversely determined, would materially adversely affect the condition of such Party;

(vi) All of the representations and warranties made under this section shall survive the execution and delivery of this Agreement and the delivery of services contemplated hereby, and none of the Parties shall take action nor permit action to be taken which would cause any of such representations or warranties to be no longer true or correct in all respects.

24. **Accident clause**

Two ambulances from the fleet of 25 ambulances shall be placed as back-up ambulances.

In any case of an accident damage to the ambulance and equipments, ZIQITZA shall make arrangements to use the back up ambulances within one hour. All expense towards rectifying and putting back the damaged ambulance into operation at the earliest is of the responsibility of ZIQITZA.

25. **ALL ANNEXURES TO THIS AGREEMENT FORM AN INTEGRAL PART OF THE AGREEMENT**



has been entered into by mutual agreement in terms of the Indian Arbitration Act & competent court having jurisdiction in Thiruvananthapuram, Kerala & shall be subject to any court case.

Each party has read, understood and agrees to the binding terms and conditions of the complete and exclusive statement of this agreement among the parties.

The parties WITNESSE in the parties here to, set their hands on the date first above written.

The parties WITNESSE in the parties here to, have caused this Agreement to be executed by their duly authorized representatives.

A,
For and on behalf of MHS&WS

Signature

Name: Dr. Dinesh Arora IAS
Desg.: State Mission Director

Mailing Address:
NRHM Directorate,
Directorate of Health Services,
General Hospital In,
Thiruvananthapuram.

B,
For and on behalf of ZIQITZA

For **ZIQITZA Health Care Limited**

Signature

Name: Nijil Ibrahim
Desg.: Project head Kerala

Mailing Address:
G3, 6th floor
Esplanade building
Convent Junction
Kochi

In the presence of the following witnesses:

1. RADHEGSH V Radhm

2. NARENDRANATH K.R.

Place: Thiruvananthapuram

Date: 16/10/2009.

PRICE BID FOR KEMP

Capital Expenses

The price bid shall be for

Software cost & Hardware Cost

Setting up of 24 hr. Call Centre (3 Line) and Refurbishing

OPTION 1: USING ZHL'S MUMBAI CONTROL ROOM

Rs. 0.00 (Rupees Zero only)

OPTION 2: REPLICATE ZHL'S MUMBAI CONTROL ROOM IN THIRUVANANTHAPURAM AS PER SPECIFICATIONS OUTLINED IN TECHNICAL COVER A

Rs. 2.50 Crores (Rupees Two Crores Fifty Lakhs Only)

THIRUVANANTHAPURAM CONTROL ROOM



Recurring Expenses

Call Centre Staff Salary - 24 x 7 x 365

Salary of Ambulance staff of Emergency Technician and Driver - 24 x 7 x 365
(Emergency technician to be trained in Advanced Life Support System from accredited agency)

Maintenance cost of Ambulance Equipments to be quoted for 25 Ambulance for 365 days

Running cost per ambulance per kilometer for all 25 ambulances for one year to be quoted (including fuel and maintenance charges) @ 2000 km / Ambulance Month

Cost of Consumables at the rate of 10 persons / Ambulance / Day

Maintenance and operation of Call Centre (to include telephone/power and water charges)

Six Firms and Seven sub-firms are quoted

Other Matters

Cost of ambulance to be borne by the State Health and Family Welfare Society

A.C. for ambulance will be given by the State Health and Family Welfare Society

Cost of consumables to be borne by the State

Cost of maintenance and operation of Call Centre

Hardware maintenance costs	70,000
Other expenses	50,000 ✓
Total Expense	120,000

Administrative Costs

Supervisory Zonal Manager Costs- salaries
Management Salaries

Item	Expense amount
Salaries	4,00,000
Transport	1,00,000
Power and Fuel	1,00,000
Material	2,00,000
Other expenses	1,00,000
Total Expenses	10,00,000

Total expenditure (per month in year I)

Call center	Rs. 7,50,000
Admin	Rs. 10,00,000 ✓
A.S. Ambulances	Rs. 18,25,000
Management & PR	Rs. 10,00,000

EMERGENCY MANAGEMENT AND RESILIENCE (EMERGENCY PREPAREDNESS) PLAN
FINANCIAL BUDGET

S.No.	Particulars	No. of Staff			Total	Remarks
		Y-21	Y-22	Y-23		
CAPITAL COSTS						
1	IT Infrastructure				0	
2	Temporary ERM Setup	20	25	25	800.00	
3	Material for ERM (EPC/ Nurture) Staff				30.00	
	TOTAL				830.00	
PRE-OPERATIONAL COSTS						
1	Towards ERM staff (Recruitment expenses of advertisement, personal costs, rare personal cost, mobile phone expenses, uniform, travel, support staff salaries, and other expenses, printing cost, administrative expenses (stationery, electricity, internet, security) other expenses)				84.91	Details attached
	TOTAL				84.91	
2	Towards ERM staff (Recruitment expenses of advertisement, personal costs, rare personal cost, mobile phone expenses, uniform, travel, support staff salaries, and other expenses, printing cost, administrative expenses (stationery, electricity, internet, security) other expenses)	20	25	25	1838.81	Details attached
	TOTAL				1923.72	

EMRI

Financial BID - Kerala Emergency Medical Services Project (KEM)

(Rs Lacs)

1	Call Centre - CO's, DO's, etc	12.01	26.88	38.89
2	Medical Support - Doctors	1.93	22.01	23.94
3	Field Operators - EMTs, Para's, Supervisors, etc	18.38	120.22	138.60
		20.32	179.11	199.43
1	Fuel Costs	-	34.22	34.22
2	Repairs & Maintenance	-	8.94	8.94
3	Medical Consumables	-	38.34	38.34
4	Ambulance Mobile Telephone Expense	-	4.50	4.50
5	Replacement of Tyres	-	-	14.13
6	Replacement of Ambulance	-	-	6.48
7	Uniforms	2.21	2.32	4.53
8	Vehicle Insurance	-	-	414.18
		2.21	65.32	67.53
1	Medical Goods	18.35	6.74	25.09
2	Medical Equipment (ECG/DR/line equipment)	-	72.00	72.00
3	Medical Instruments	-	5.00	5.00
4	Medical Support Staff	6.00	72.00	78.00
5	Medical Supplies	6.00	1.00	7.00
6	Medical Consumables	25.00	6.00	31.00
7	Medical Expenses	10.00	115.20	125.20
8	Medical Equipment	5.00	-	5.00
9	Medical Support Staff	-	12.00	12.00
10	Medical Consumables	-	40.00	40.00
		72.35	272.74	345.09
1	Medical Expenses - Additional Staff	30.00	-	30.00
2	Medical Expenses	-	-	-
3	Medical Consumables	10.00	-	10.00
4	Medical Support Staff	-	20.00	20.00
5	Medical Expenses	-	-	-
6	Medical Consumables	-	-	-
7	Medical Support Staff	-	-	-
8	Medical Expenses	-	-	-
9	Medical Consumables	-	-	-
10	Medical Support Staff	-	-	-
11	Medical Expenses	-	-	-
12	Medical Consumables	-	-	-
13	Medical Support Staff	-	-	-
14	Medical Expenses	-	-	-
15	Medical Consumables	-	-	-
16	Medical Support Staff	-	-	-
17	Medical Expenses	-	-	-
18	Medical Consumables	-	-	-
19	Medical Support Staff	-	-	-
20	Medical Expenses	-	-	-
21	Medical Consumables	-	-	-
22	Medical Support Staff	-	-	-
23	Medical Expenses	-	-	-
24	Medical Consumables	-	-	-
25	Medical Support Staff	-	-	-
26	Medical Expenses	-	-	-
27	Medical Consumables	-	-	-
28	Medical Support Staff	-	-	-
29	Medical Expenses	-	-	-
30	Medical Consumables	-	-	-
31	Medical Support Staff	-	-	-
32	Medical Expenses	-	-	-
33	Medical Consumables	-	-	-
34	Medical Support Staff	-	-	-
35	Medical Expenses	-	-	-
36	Medical Consumables	-	-	-
37	Medical Support Staff	-	-	-
38	Medical Expenses	-	-	-
39	Medical Consumables	-	-	-
40	Medical Support Staff	-	-	-
41	Medical Expenses	-	-	-
42	Medical Consumables	-	-	-
43	Medical Support Staff	-	-	-
44	Medical Expenses	-	-	-
45	Medical Consumables	-	-	-
46	Medical Support Staff	-	-	-
47	Medical Expenses	-	-	-
48	Medical Consumables	-	-	-
49	Medical Support Staff	-	-	-
50	Medical Expenses	-	-	-
51	Medical Consumables	-	-	-
52	Medical Support Staff	-	-	-
53	Medical Expenses	-	-	-
54	Medical Consumables	-	-	-
55	Medical Support Staff	-	-	-
56	Medical Expenses	-	-	-
57	Medical Consumables	-	-	-
58	Medical Support Staff	-	-	-
59	Medical Expenses	-	-	-
60	Medical Consumables	-	-	-
61	Medical Support Staff	-	-	-
62	Medical Expenses	-	-	-
63	Medical Consumables	-	-	-
64	Medical Support Staff	-	-	-
65	Medical Expenses	-	-	-
66	Medical Consumables	-	-	-
67	Medical Support Staff	-	-	-
68	Medical Expenses	-	-	-
69	Medical Consumables	-	-	-
70	Medical Support Staff	-	-	-
71	Medical Expenses	-	-	-
72	Medical Consumables	-	-	-
73	Medical Support Staff	-	-	-
74	Medical Expenses	-	-	-
75	Medical Consumables	-	-	-
76	Medical Support Staff	-	-	-
77	Medical Expenses	-	-	-
78	Medical Consumables	-	-	-
79	Medical Support Staff	-	-	-
80	Medical Expenses	-	-	-
81	Medical Consumables	-	-	-
82	Medical Support Staff	-	-	-
83	Medical Expenses	-	-	-
84	Medical Consumables	-	-	-
85	Medical Support Staff	-	-	-
86	Medical Expenses	-	-	-
87	Medical Consumables	-	-	-
88	Medical Support Staff	-	-	-
89	Medical Expenses	-	-	-
90	Medical Consumables	-	-	-
91	Medical Support Staff	-	-	-
92	Medical Expenses	-	-	-
93	Medical Consumables	-	-	-
94	Medical Support Staff	-	-	-
95	Medical Expenses	-	-	-
96	Medical Consumables	-	-	-
97	Medical Support Staff	-	-	-
98	Medical Expenses	-	-	-
99	Medical Consumables	-	-	-
100	Medical Support Staff	-	-	-



GOVERNMENT OF KERALA

Abstract

Health & Family Welfare Department – Kerala Emergency Medical Service Project (KEMP)-
Cancellation of tenders and entrust KELTRON as operating agency of 25 ALS Ambulances -
Sanctioned - Orders issued.

HEALTH & FAMILY WELFARE (M) DEPARTMENT

GO(Rt)No.918/2011/H&FWD. Dated, Thiruvananthapuram, 07.03.2011.

Read 1. letter No.MD/37/10-11 dated 03.02.2011 from the Managing Director,
KELTRON, Thiruvananthapuram.

5. Government letters of even number dated 01.03.2011 and
05.03.2011.

ORDER

In the interim order dated 22.02.2011 in WP(C)37600/2010 filed by M/s Ziqitza Health Care Ltd, the Hon'ble High Court of Kerala has observed that the interim order dated 21.12.2010 required modification in view of the larger public interest involved and therefore ordered that "the interim order dated 21.12.2010 is modified to the extent that the finalisation of the tender and further steps will be subject to the result of the Writ petition."

2. Government have examined the matter in detail and are pleased to direct NRHM to cancel all the tenders as regards to KEMP and to entrust KELTRON as operating agency of 25 ALS ambulances now kept idle after discussion with them.

(BY ORDER OF THE GOVERNOR)

K.S. SRINIVAS

Special Secretary to Government

To

The State Mission Director, NRHM, Thiruvananthapuram.
The Director Health Services, Thiruvananthapuram
The Managing Director, Kerala Medical Service Corporation Limited,
Thiruvananthapuram
The Managing Director, KELTRON, Thiruvananthapuram.
The Principal Accountant General (Audit/A&E) Kerala, Thiruvananthapuram

Stock file/Office copy

Forwarded By Order

Section Officer.

Copy to : 2 to Minister Health & Social Welfare
2 to Special Secretary Health

AGENDA ITEM No. 21: PROCUREMENT AND INSTALLATION OF POWER LAUNDRIES

State Mission Director (NRHM) informed that in order to wash and dry the sheets proposed to be purchased, it is proposed to procure at least 5 power laundry per district and install them in the major hospitals in the state at a total cost of Rs.7 crores. The hospitals in the periphery can utilize the power laundry installed in the major hospital for their purpose. It is also informed that the responsibility of operation of power laundry and transportation of the sheets can be given to the members of Kudumbasree units.

Resolution No.33: *Resolved to procure at least 5 power laundries per district as per norms and install the same in major hospitals in the Districts as per normal and at a total cost of Rs.7 crores.*

AGENDA ITEM No. 22 KEMP

Government has approved a project titled KEMPS (Kerala Emergency Medical Services Project), for management of emergencies in the state of Kerala. Initially the project is to start with a pilot project for the district of Thiruvananthapuram. Based on Expression of Interest was called for and tender evaluated, the lowest bid quoted by M/s Ziqitza of Mumbai has been accepted. An amount of Rs.5 crore has been transferred to KMSCL for the procurement of Advanced Life Saving Ambulances (ALS) and the procurement process has been initiated. The tentative sites or rather the hospitals where the 25 ambulances need to be parked in the district of Thiruvananthapuram have also been identified. Also, space within the Technopark has been identified for starting a call centre, so that the successful bidder can immediately start furnishing and equipping the same. It was informed that action is being taken to occupy this building immediately after proper refurbishing. Also, Memorandum of Understanding (MoU) is proposed to be signed by the SHFWS and the successful bidder immediately.

Resolution No.34: *Resolved to approve the lowest bidder M/s.Ziqitza for the KEMPS project.*

Resolution No.35: *Resolved to approve the procurement of 25 Advanced Life Saving Ambulances through KMSCL.*

Resolution No.36: *Resolved to hire available space in Technopark for starting call centre by the bidder. Also resolved to furnish and equip the call centre.*

Resolution No.37: *Resolved to enter into an agreement with M/s.Ziqitza.*

AGENDA ITEM NO: 23 Extension of validity of agreement with HPL, HLL, KHRWS

State Mission Director NRHM informed that NRHM Civil works are implemented through HPL, HLL and KHRWS while TRP works are being implemented through HLL, HPL, KHRWS, KSDP, KLEDC etc. He informed that as per terms and conditions of the contract

ആവാശ്യപ്പെട്ട അധിക വിവരം

നടപടി

ശിപാർശ

ക്രമ
നം.

1	5.132	നിഷ് ക്രിയമാകുന്ന എ.എൽ.എസ് ആംബുലൻസുകൾ	<p>State Health and Family Welfare Society has invited an EoI for the operation of KEMP in Alappuzha district on 05.05.2010. M/s Ziqitza Healthcare Ltd qualified as the 1.1 bidder and the Chairman, Executive Committee invited them for a negotiation meeting on 27.07.2010. Ziqitza was not willing to reduce the operational expense from the originally quoted amount which was higher than the amount quoted for the operation at Thiruvananthapuram district. Government vide letter dated 16.11.2010 cancelled the tender for the whole state except Thiruvananthapuram and asked to call for tender by amending the qualifying criteria suitably to encourage more competition, also asking to deploy 25 ambulances parked at Thycaud to major hospitals along the NH from Kollam to Kasargode recruiting FMT and Drivers on temporary basis providing training and mobile phones. A meeting was held on 17.12.2010 in the chamber of the Hon'ble Minister for Health and it was decided to call for short tender for operating the 25 ambulances which were idling. A short tender has been called and Mr. M M Salim who participated in the tender filed a Writ Petition in the Hon'ble High Court of Kerala and as a result, Government issued orders to deploy these ambulances to different Government institutions along the highways of Kerala for operation using HMC fund available with those institutions. These vehicles were with the respective Government institutions till December, 2011.</p> <p>An EoI was invited on 12.12.2010 for the expansion of the project to the entire state of Kerala and Ziqitza Health care has filed a writ petition in the High Court of Kerala (WP(C) No.37600/2010 dated 22.12.2010) against the finalization of the tender. On 07.03.2011 vide G.O(Rt)No.918/2011/11&FW Government have directed NRRHM to</p>
		<p>ഈ വർഷത്തിലധികം (4/10-3/11) 25 ആംബുലൻസുകൾ പ്രവർത്തനരഹിതമായി കിടന്നതിന്റെ കാരണവും കാര്യമായും കൂടാതെ ആംബുലൻസുകൾ ഉപയോഗിക്കുന്നതിലെ നടപടി ക്രമങ്ങളിൽ എവിടെയാണ് വീഴ്ച സംഭവിച്ചതെന്നുമുള്ളതും കെ.എ. ഹൈക്കോർട്ടിൽ പ്രവർത്തിപ്പിക്കാൻ നിർദ്ദേശിച്ച 4 ആംബുലൻസുകൾ നിലവിൽ ഉപയോഗപ്പെടുത്തുന്നുണ്ടോയെന്നതും സംബന്ധിച്ച വിശദമായ റിപ്പോർട്ട്.</p>	

cancel all the tenders regarding KEMP and entrust KELTRON as the operating agency for the 25 ambulances being kept idle. In January, 2012 KMCSL was appointed as the Managing Agency for KEMP. In April, 2012 the official inauguration of KEMP services was done at Alappuzha district with Ziqizna Health Care as the operating agency. KMCSL vide letter No.KMCSL/EP/208/2012 dated 13.10.2012 has suggested to operate the remaining 4 ambulances in the High Way in Kollam district by connecting 108 control room and police control room. But later 6 ambulances (including 4 ambulances allotted for Kollam) were handed over to DHS for Sabarimala Pilgrimage Operations. After the Sabarimala season, two ambulances were transferred to the District Hospital, Mananthavadi and the Taluk Hospital, Sulthambethery. At present out of the four ambulances, one is allotted to Neyyattinkurra, Thiruvananthapuram, one to Pathanamthitta and one to Pulakkad. The rest one is used as backup vehicle in Thiruvananthapuram.

The delay in operating ambulances has occurred due to litigations in the Hon'ble High Court and unexpected incidents but not because of the deficiencies in planning.

KMCSL has invited a tender in February, 2014 for the expansion of KEMP to entire State of Kerala and for the implementation of the JSSK project. Government had constituted a Tender Formulation and Finalization Committee with SMD-NRHM, MD-KMCSL and DHS as members. As per the recommendations of the committee the operator has to purchase the vehicles in their name and operate for five years, where Government doesn't have any capital expense. However Government have directed that the vehicles have to be purchased in the name of DHS hence the tender was cancelled and a new tender was called for complying with the directions of Government. The tender was cancelled as there was a change in the model of operation and not due to the non finalization of pre qualification criteria. The pre qualification criteria have to be changed as the model was changed.

2 5.1.3.4

സംസ്ഥാനത്തെ മറ്റു ജില്ലകളിൽ

കെ.ഇ.എം.പി യുടെ നടപ്പിലാക്കൽ

ആംബുലൻസ് വാങ്ങുന്നത് സംബന്ധിച്ച ടെണ്ടർ ഫോർമുലേഷൻ ആന്റ് ഹൈനലൈബ്രേഷൻ കമ്മിറ്റിയുടെ നിർദ്ദേശങ്ങൾ എന്തെല്ലാമായിരുന്നു; പ്രസ്തുത നിർദ്ദേശങ്ങളിൽ എന്തെല്ലാം മാറ്റങ്ങളാണ് സർക്കാർ വരുത്തിയത്; നിർദ്ദേശം മാറ്റുന്നതിനുണ്ടായ കാരണം, ടെണ്ടർ റദ്ദാക്കി ടി ടെണ്ടർ നൽകാനുണ്ടായ സാഹചര്യം, മാനദണ്ഡങ്ങളിൽ വന്ന മാറ്റങ്ങൾ എന്തൊക്കെയാണ്, എന്നിവ സംബന്ധിച്ച ഉത്തരവുകളുടെ പകർപ്പുകൾപ്പെടുത്തേണ്ടതുണ്ട്.

22.02.2014 recommended the following for approval

I Pre-qualification criteria

- i. Minimum experience of two years within the period of last five years in operating emergency ambulance services of any State in India or abroad for the entire State or part of the State with a fleet of atleast 100 ambulances supported by a centralised control room.
 - ii. Should have experience in computer telephony integration with the ability to log calls combined with geographical information system and GPRS integrated system to facilitate quick dispatch of vehicles.
 - iii. Should have comprehensive training system for service and supervisor personnel in the implementation of the emergency response system.
 - iv. The bidder should have current Net Worth of atleast Rs.75 crore as on 01.01.2014. In case of consortium, the member shall have not less than 51% of the net worth.
 - v. Consortium are permitted to take part in the tender subject to the following conditions.
 - a. The consortium should not have more than three members.
 - b. The consortium agreement should be in place before the date of tender submission. The roles and responsibilities of each consortium members should be clearly defined.
 - c. The lead consortium member should be registered in India.
 - d. If the foreign partner has a consortium arrangement with the other partners and undertakes to provide the needed technical support to the consortium or bids directly through a fully owned subsidiary, the experience of International partner will be considered.
2. The rates offered in the tender shall be as "Expenses for providing brand new 287 BLS and 283 Patient Transport Ambulances as per specifications annexed and running 2000 km per ambulance and operating call centre as per the conditions of the tender per month".

The rates should be firm for entire 5 years (60 months). The rate offered shall be inclusive of local tax, service tax and any other tax and insurance.

3. The expenses for running 570 ambulances for a maximum kilometer of 2000 per ambulance per month and additional kilometer will be reimbursed at the rate of Rs.15/- per kilometer for ambulance run beyond this limit on cumulative basis per month for all the 570 vehicles combined. The additional kilometers payment will be reimbursed only if the total kilometers travelled by all the 570 ambulances deployed in the state crosses 11,40,000 (200 x 570) kilometer mark for any given month.
4. The cost of additional kilometer run over the state average of 2000 km.
5. The first registration of all the 570 vehicles shall be on or after 01.01.2014.
6. The bidders shall be asked to operate the ambulances district-wise.
7. The bidder need not necessarily own all the 570 vehicles. However, each of the vehicles should be under the control of the bidder till the completion of the contract.
8. The EMD shall be 2 crores.
9. The performance security shall be 5% of the contract amount for the entire period.
10. The officers from KMSCH, DHS, and NIMM have the right to inspect any of the ambulances or control room at any point of time.
11. The minimum call taking staff in the control room shall be 100 for 24X7 operation. According to the call flow the number should be increased so as to ensure that not a single call is missed.
12. The running expenses for ambulances shall be made on a quarterly

compute the response time, vehicle down time, GPS/GPRS downtime, total service downtime, etc. so as to monitor and evaluate the performance including calculation of penalty if any.

14. The tender should have exit clause of 90 days.

15. The present 49 A.I.S ambulances shall be returned to DHIS and to be allotted to various hospitals for inter hospital transfers.

The recommendations of the committee had not accepted by Government since that were not specific and hence directed to modify as follows:

- i. It is seen that the tender formulation and finalization Committee has recommended not to register Ambulances in the name of Director of Health Services and recommended that ambulances can be taken back by the bidder after the contract period. However, the meeting of the Committee of Secretaries held on 29.01.2013 to discuss the issue of procurement of ambulances and award of contract to the operating agency had recommended that it will be the responsibility of the operating agency to get the vehicles registered in the name of Director of Health Services. Action has to be taken in accordance with the recommendation of the committee of Secretaries.
- ii. The recommendation of the committee that first registration of all 570 vehicles shall be on or after 01.01.2014 cannot be agreed to since if the above condition is incorporated there may be chances of inclusion of old vehicles registers on 01.01.2014 also in the fleet of ambulances, which is not acceptable as all vehicles shall be new and registered after finalisation of the tender.
- iii. As per item No.7 of the recommendation of the Committee the bidder need not necessary own the all 570 vehicles this clause also cannot be agreed to.
- iv. As recommended, the A.I.S Ambulances may be returned to the Director of Health Services and may be allotted for inter

hospital transfer as it will improve the functioning of the hospitals.

Further a meeting under the chairmanship of the Secretary-Health with members as Director of Health Services, Additional Secretary,- Finance Department, Deputy Chief Engineer, NRHM held on 09.07.2014 took the following decisions:

1. The tender invited initially has stipulated that the ambulances have to be provided by the successful bidder and the expenses will be reimbursed over a period of 60 months and one of the pre-qualification criteria was specified as Rs.75 crores net worth for the prospective bidders. As per the recommendations of the Secretaries Committee, Government have clarified that the vehicles have to be registered in the name of Director of Health Services and the capital expenses has to be reimbursed to the successful bidder. Most of the bidders who had participated in the pre-bid meeting have sought relaxation in the net-worth criteria. Since the capital expense and the operating expenses required for the project is being reimbursed and in order to ensure maximum participation and to obtain a competitive bid, it was decided to incorporate the following clause instead of the clause 4.20.4 the tender invited earlier.

"The bidder should have a positive current net worth as on 01.04.2014. In case of consortium, the lead member shall have a positive current net worth. CERTIFICATE OF SUCH NET WORTH BY A FIRM OF CHARTERED ACCOUNTANTS HAVING PRACTICE IN INDIA SHOULD BE PRODUCED"

2. The vehicles shall be deployed within 6 months from the date of signing the agreement with the successful bidder. The deployment plan will be provided by the Director of Health Services and the same will be provided to the successful bidder along with the award of contract. The procurement and deployment of Patient Transfer Ambulances will be strictly based on necessity.

3. The EMID shall be Rs.1.2 Crores which is 1% of the estimated capital and operating cost for the first year, which shall be submitted on-line through the e-tender portal.
4. The performance security deposit shall be 5% of the capital and operating cost for the first year offered by the successful bidder which can be furnished as DD/BG. If BG is furnished it shall be valid for 66 months.
5. The service of KEMP is provided free of cost to the public. It is common that a services provided without any cost will be utilised to its maximum. The average Kilometer travelled in a month by the present ambulance under KEMP is more than 3000 kms. It is proposed to purchase 287 BLS ambulances and a maximum of 283 PTA. Hence it was decided to specify the average Kilometer per month as 2000. The additional kilometer payment will be reimbursed only if the total kilometer travelled by all the allotted ambulances exceed, 2000 'X' no of vehicles deployed in the state for any given month (BLS+PTA). Additional kilometer will be reimbursed at Rs.15/- per kilometer for both BLS and PTA.
6. The Patient Transport Ambulances will be operated under the JSSK scheme which will be mostly a planned operation for the transport of pregnant women from home to hospital for delivery and drop back to home and also for newborn till 30 days after birth. Hence it was decided to operate all Patient Transport Ambulances from 8 am to 5 pm.
7. It was decided to incorporate necessary corrections in the draft tender document circulated during the meeting as per the decisions taken and to invite the tender on 15.07.2014.

The Managing Director, KMSCL and the State Mission Director, National Rural Health Mission had informed that it would be better to provide delivery van instead of ambulances for fabrication and equipping as Advanced Life Saving Ambulances citing the following reasons:

3 5.1.4.1 ആംബുലൻസുകളുടെ എളുപ്പവും നൂതന ജീവൻരക്ഷാ ആംബുലൻസുകളായി സജ്ജീകരിക്കലും മോഡ് ട്രാവലർ ആംബുലൻസുകളേക്കാലും മറ്റും ബന്ധിതരി വാഹനങ്ങളെ നൂതന

ഫീവർരക്ഷാ ആംബുലൻസുകളാക്കി
 സജ്ജീകരിക്കുന്നതാണ് മെച്ചമെന്ന്
 ആരാണ് നിർദ്ദേശിച്ചത്; അതിനായി
 ചുണ്ടിക്കാണിച്ച കാരണങ്ങൾ ഏതൊക്കെ;
 അവയിൽ ഏതൊക്കെ
 കണക്കിലെടുത്താണ് സർക്കാർ തീരുമാനം
 എടുത്തത്; ഇപ്രകാരം സജ്ജീകരിച്ചതിൽ
 ഡെലിവറി വാഹകൾ ALS ആയി
 ശുപാർശപ്പെടുത്തുന്നത്. ഇട്ടുതൽ
 ചുണ്ടിച്ചാണ് എന്നിരിക്കെ ട്രാപർ
 ആംബുലൻസുകൾ പരിവർത്തനപ്പെടുത്തുന്ന
 തീരുമാനം റേറ്റ് കറച്ചാണോ ടി
 പ്രവർത്തിക്ക് നൽകിയത്; ടെണ്ടർ
 ചെമ്പ്രതിരുമരക്കു മോലിയുടെ പരിധി
 പുതുക്കിയ സാഹചര്യത്തിൽ റി ടെണ്ടർ
 വിളിക്കാത്തതിന്റെ കാരണം
 എപ്രകാരമാണ്/ എന്തിന് സാധനത്തിലാണ്
 വെച്ചുതൽ റേറ്റുകൾ തീരുമാനിച്ചത്,
 അനുസരിച്ച ആനുകൂല്യം
 ലഭിക്കുന്നതിനിടയായതിനുള്ള
 ഉത്തരവാദിത്വം ആർക്കാണ്, എന്നിവ
 സംബന്ധിച്ച വിശദമായ റിപ്പോർട്ട്

Since medical devices are to be fitted in the ambulances, it is mandatory for these devices to be mounted on the side wall of the vehicle. The ambulance model has 3 windows in each side and hence it will not be possible to mount these devices on the side wall of the vehicle whereas for delivery vans, such an issue will not arise. For Delivery Vans, there will be only one quarter window on each side of the vehicle at the back and two rear glasses on the rear door. For Delivery Van, 270 degrees rear door opening is available which will be convenient for trolley loading. A superior Electrical system is available in delivery vans. A closed Delivery Van which will ensure sterility, hygiene and good thermal insulation.

Government observed that there would be financial savings of around Rs.40 lakh by changing Force Ambulances to Force Delivery Vans. Besides, the change is also found to be advisable due to technical advantages in equipping Delivery Vans for converting them as ALS Ambulances. Accordingly sanction was accorded for procurement of 50 Force Delivery Vans meeting the technical specifications for equipping and converting as ALS Ambulances for Kerala Emergency Medical Services Project to be implemented in Thiruvananthapuram and Kannur districts and direction was given to the Director of Health services for procurement of 50 Nos. of Force Delivery Vans and handover them to KMSCL for equipping as ALS Ambulances.

In 2009, Emergency Ambulance Service in India was in the initial stage and there was no models available at that time for reference. Also the Kerala Emergency Medical Services Project introduced as a pilot project in Thiruvananthapuram and Alappuzha and was no previous experience of operational expenses related to running of the project. The expenses include cost of medicines, consumables (cotton, gloves, etc), oxygen cylinders, salary of staff operating ambulance etc. The 5th Governing body of State Health and Family Welfare Society held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza and accordingly entered into an agreement on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the

ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.

The changing of Force ambulances to delivery van has only profited GoK. There was an approximate savings of Rs. 40 lakh. Moreover, the absence of windows in delivery van has prevented cutting and welding of the body which in turn has benefited the vehicles in the long run (rusting of vehicles in the humid climate of Kerala). Moreover, there were advantages in the doors, electrical systems and air conditioning of the vehicles. In the period when tender was called in 2009, Force Motors did not have introduced base ambulance vehicles which can be converted into ALS. The only available option was converting the delivery van which was the industrial practice that time. However, now Force Motors have models of base ambulances which are suitable for ALS conversion. Since the conversion of ALS was done for the first time, tender was invited for converting ambulances into ALS instead of delivery vans. There was no post award revision of work stipulated in the tender. The purchase of the vehicles was not a part of the tender, which was done separately by the Director of Health Services in special Government rates.

A High Power Committee held by the Chief Secretary in the presence of the Hon'ble Minister for Health and the Hon'ble Minister for Transport directed the Secretary, Transport Department to issue temporary registration to the 50 Kerala Emergency Medical Services Project Vehicles for its immediate operation and also directed to approach the Ministry of Transport, Government of India for permanent registration of the vehicles. Accordingly, an inspection was conducted by the Assistant Motor Vehicle Inspector. Without much delay all vehicles got permanent registration under Motor Vehicles Department, Kerala. It may be noted that in every year all vehicles running under KEEMP satisfies certificate of fitness from the Motor Vehicles Department and at present all the vehicles have permanent registration number and operating successfully.

4	5.1.4.2	<p>ആംബുലൻസുകളുടെ സുരക്ഷിതത്വം</p> <p>ആതന ജീവൻ രക്ഷാ ആംബുലൻസുകൾക്ക് ഹോമലോഗേഷൻ ലഭിച്ചിട്ടുണ്ടെങ്കിൽ പരിശോധനകൾ വാഹനങ്ങൾക്ക് ലഭിച്ചിട്ടുണ്ടോ; എന്നിവ വിശദമായ റിപ്പോർട്ട്</p>	<p>പുറംതരന</p> <p>സർട്ടിഫിക്കറ്റ് സംബന്ധിച്ച പരിശോധനകൾ സ്ഥിര രജിസ്ട്രേഷൻ സംബന്ധിച്ച</p>
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5 5.1.4.3

പ്രവർത്തന ഏജൻസിക്കു നൽകിയ അർഹമല്ലാത്ത ആരുടെയും വാർഷിക വർദ്ധനവ് ആവശ്യപ്പെട്ടവ വ്യവസ്ഥ സമാപനം സമർപ്പിച്ച price bid-ൽ ഉൾപ്പെടുത്തിയിരുന്നില്ല എങ്കിലും തുടർന്ന് ടി വർദ്ധനവ് അനുവദിക്കുന്ന വ്യവസ്ഥ ഉൾപ്പെടുത്തിയത് സമാപനത്തിന് അനുയോജ്യം നേട്ടമുണ്ടാക്കുന്നതിനും സംസ്ഥാന ഖജനാവിന് 78.03 ലക്ഷത്തിന്റെ നഷ്ടത്തിനിടയാക്കിയതിനും ഉത്തരവാദിത്തം ആർക്കാണ് ഉണ്ടെന്നതു സംബന്ധിച്ച വിശദമായ റിപ്പോർട്ട്.

In 2009, Emergency Ambulance Service in India was in initial stage and there was no models available at that time for reference. Also the Kerala Emergency Medical Services Project introduced as a pilot project in Thiruvananthapuram and Alappuzha and no previous experience of operational expenses related to running of the project. The expenses include cost of medicines, consumables (cotton, gloves, etc), oxygen cylinders, salary of staff operating ambulance. This tender mode which was called by NRIIM in 2009 was one among the first in the country and there was no successful tender model in any other states which could have been replicated during 2009. Earlier, all States used to award the contract to EMRI on nomination basis. The L1 firm M/s Ziqitza had quoted the least amount which was nearly 20% lower than the L2 (EMRI) value. So, by adopting tender mode, NRIIM saved nearly Rs.5 crore over the years.

The whole process of contract management including the MoU was placed in the 5th Governing Body meeting of the State Health & Family Welfare Society which was chaired by the Hon'ble Minister for Health & Social Welfare and attended by Secretary (Health I/c), representatives from Finance Department, State Mission Director and other HoDs. The MoU clearly mentioned "yearly operational expense increment shall be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other States." The meeting decided to approve the lowest bidder M/s Ziqitza as the agency for the program. Further, it was also resolved to enter into an agreement with M/s Ziqitza. (Minutes attached:Item number 22).

In the agreement so executed State Health and Family Welfare Society should pay operational expenses for an amount equal to Rs.2,96,70,000/- per year for 25 ambulances for a period of three years, initially for the district of Thiruvananthapuram to cover expenses including.

- i. Call centre staff salary 24 hours per day and 365 days a year.
- ii. Salary of ambulances staff of Emergency technician and driver 24 hours per day and 365 days a year (Emergency technician to

accredited agency)

- iii. Maintenance cost of Ambulance for 25 ambulances
- iv. Ambulance operational costs including fuel for 2000 kms per ambulance per month
- v. Cost of consumables up to of 10 persons/ambulance/ day.
- vi. Maintenance and operation of call center (to include telephone/power and water charges)
- vii. In addition, SHPS shall pay additional operational costs for each Ambulance calculated at the average price of ZIQTZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQTZA shall work towards optimal efficiency in the running of the Ambulances.
- viii. Yearly operational expense (one year of operation) increment can be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other states).

The 5th Governing body of State Health and Family Welfare Society held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza and accordingly entered into an agreement on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQTZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQTZA shall work towards optimal efficiency in the running of the Ambulances.

No uniform guidelines for the operation of Emergency Medical Service ambulances was available in India, even in 2014. Only a draft has been made by the Ministry of Health & Family Welfare in 2013 which has not been approved. While the agreement with Ziqitza has been signed in 2009 the 108 project was in the initial stages and Kerala was one among the states to introduce the tender model for the

operating agency is incurring. Government used to reimburse that amount. All the Southern states except Kerala are operating in MoU model. Ziqitza was the lowest bidder who has quoted for the pilot project. While signing the agreement with Ziqitza in 2009 the state of Kerala has no experience in operating such a project and it was impossible to predict the difference these ambulances are going to ply. Though Ziqitza has not quoted the yearly increase in the tender the rate quoted by the other bidders were very higher compared to the operational cost quoted by Ziqitza. The operational cost offered by the L2 bidder for the first year was Rs.5.90 crore more than what Ziqitza has quoted. Also the L2 bidder quoted 15.7% increase in operational cost for the second year. Whereas we have given only an increase of 7.5% to Ziqitza for the second year. If the contract was awarded to L2 bidder, the cost of operation of the project might have been very higher compared to the payment made to Ziqitza. Comparing the cost of diesel at the time of signing the agreement there was an increase of around 40 % at the end of the first year of operation which is one of the main expenses in the operation. During three years of operation only one time an increase of 7.5% has been given to Ziqitza. There was no intentional approach on the part of Government and its agency for making gains to the operational agency.

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6	5.1.4.4	അധിക കിന്മെന്റിറ്റുകൾ ഒടിയതിനു നൽകിയ പ്രതിഫലം
	<p>1 സമാഹരണം സമർപ്പിച്ച financial bid ൽ ഇല്ലാത്ത വ്യവസ്ഥ തുടർന്നുള്ള agreement -ൽ ഉൾപ്പെടുത്താനുള്ള കാരണം.</p> <p>2. Additional operational cost കണക്കാക്കിയത് എങ്ങനെ? ഏതൊക്കെ ഘടകങ്ങളാണ് കണക്കിലെടുത്തത്; അതിൽ ജീവനക്കാരുടെ ശമ്പളം ഉൾപ്പെടെയുള്ള പരിഹാരണ പ്രവർത്തനചെലവുകൾ ഉൾപ്പെട്ടിട്ടുണ്ടോ; വിശദാംശം നൽകുക.</p>	<p>In 2009 Emergency Ambulance Service in India was in initial stage and there was no models available at that time for reference. Also the Kerala Emergency Medical Services Project introduced as a pilot project in Thiruvananthapuram and Alappuzha and no previous experience of operational expenses related to running of the project. The expenses include cost of medicines, consumables (cotton, gloves etc), oxygen cylinders, salary of staff operating ambulance etc. This tender mode which was called by NRHM in 2009 was one among the first in the country and there was no successful tender model in any other states which could have been replicated during 2009. Earlier, all States used to award the contract to EMRI on nomination basis. The L1 Firm M/s Ziqitza had quoted the least amount which was nearly 20% lower than the L2 (EMRI) value. So, by adopting tender mode,</p>

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In the agreement so executed State Health and Family Welfare Society should pay operational expenses for an amount equal to Rs.2,96,70,000/- per year for 25 ambulances for a period of three years, initially for the district of Thiruvananthapuram to cover expenses including.

- i. Call centre staff salary 24 hours per day and 365 days a year.
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- iii. Maintenance cost of Ambulance for 25 ambulances
- iv. Ambulance operational costs including fuel for 2000 kms per ambulance per month
- v. Cost of consumables up to of 10 persons/ambulance/day.
- v. Maintenance and operation of call center (to include telephone/power and water charges)

In addition, SHFWS shall pay additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.

viii. Yearly operational expense (one year of operation) increment can be on the basis of CPI (Consumer Price Index) and prevailing average increases in similar contracts in other states).

The 5th Governing body of State Health and Family Welfare Society held on 29.06.2009 had decided to enter into an agreement with M/s Ziqitza and accordingly entered into an agreement on 16.10.2009 containing condition for paying additional operational costs for each Ambulance calculated at the average price of ZIQITZA in running the ambulances for 2000 kms for any additional kilometer covered above 2000 kilometers per ambulance per month. ZIQITZA shall work towards optimal efficiency in the running of the Ambulances.