

Conducting Agreement

THIS CONDUCTING AGREEMENT made at this _____ day of 200____ BETWEEN
DR. DAYAWAN HOSPITAL AND CLINIC, a partnership firm having address at

_____, hereinafter called "**THE OWNERS**" (which expression shall unless repugnant to the context or meaning thereof be deemed to include the partner/s for the time being of the firm, the survivors or survivor of them and the heirs, executors and administrators of the last surviving partner and their/his/her assigns) of the **ONE PART**; AND **DR. ABC** and **DR. X Y Z**, both having address at _____, hereinafter called "**THE CONDUCTORS**" (which expression shall unless repugnant to the context or meaning thereof be deemed to mean and include their respective heirs, executors and administrators) of the **OTHER PART**;

WHEREAS:—

- (a) Dr. Dayawan, one of the partners of the Owners is entitled to the entire first floor premises of the Building "_____" (admeasuring around _____ sq. ft. of built up area) situate at _____ (hereinafter referred as "**the said premises**"). The said premises are more particularly described in the Schedule hereunder written.
- (b) Dr. Dayawan since about the year 1959 was running a Medical Hospital in about two-third portion of the said premises and since the year 1995 he is running under the name and style of DR. DAYAWAN HOSPITAL AND CLINIC, a partnership firm in which he himself and his family members are the partners.
- (c) At present, as aforesaid, the Owners are running their said Hospital in two-third portion of the said premises which Hospital is fully equipped and has all reasonable amenities including an operation theatre, labour room, wards etc. required to run the Hospital.
- (d) The Conductors who are also qualified Doctors have approached the Owners with an offer to allow the Conductors to conduct the Owners' said Hospital at the Conductors' own risk and cost, to which request the Owners have agreed subject to the terms, covenants and conditions hereinafter appearing;

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS UNDER:-

1. The Owners shall allow the Conductors to run, manage and conduct the Owners said Hospital known as "**DR. DAYAWAN HOSPITAL AND CLINIC**" which is being presently managed and run by the Owners in two-third portion of the said premises as described above for a period of seven years commencing from _____, on Leave and Licence basis only.
2. The conducting of the said Hospital by the Conductors shall be at their own risk and account without the Owners being in any manner liable for any loss or otherwise. The said conducting shall also not be deemed to create any tenancy, sub-tenancy or any other right, or interest of any nature whatsoever in favour of the Conductor in the said premises.
3. The Conductors shall on or before execution hereof deposit with the Owners a sum of Rs. 4,00,000/- (four lakhs only) as interest free security deposit for the due fulfilment on the part of the Conductors of each and every term, covenant and conditions hereby agreed to be observed, fulfilled and performed by them. In the

event of the Conductor committing breach of any conditions herein, the Owners shall be entitled to forfeit the said security deposit.

4. The Conductors shall pay to the Owners a fixed monthly net royalty fee at the rate of Rs. 25,000/- (Rupees twenty five thousand) for the period commencing from _____ and ending on _____. The said royalty fee shall thereafter stand enhanced at the rate of 10% every year with effect from _____. The percentage of such enhancement for the subsequent years shall be calculated on the quantum of royalty payable on 31st March of each year thereafter. For example the Royalty payable for the period _____ to _____ shall be Rs.27,500/- per month and for the period _____ to _____ shall be Rs.30,250/- per month and the 10% increase shall be payable accordingly every year. The said royalty for each month shall be paid in advance on or before 5th day of each month. In the event of the Conductors failing to regularly pay the said royalty amount on its due dates in advance, whether formally demanded or not, the Conductors shall pay interest @ of 15% per annum from the due date till the date of actual payment. Notwithstanding the Owners, right to claim interest, the failure on the part of the Conductors to pay the royalty amount in advance on its due date, shall be treated as breach on their part of the essential condition of the agreement.
5. The possession of the said premises shall always remain with the Owners partner Dr. Dayawan alone. The only right of the Conductors shall be to use the said premises for running the said Hospital for medical purposes. The Owners shall deliver one set of duplicate keys of the said Hospital to the Conductors to enable them to enter and run the said Hospital.
6. The Conductors hereby agree, covenant and declare as follows:
 - (a) To pay regularly and punctually the monthly royalty fee and other amounts payable by them to the Owners hereunder;
 - (b) To use in a prudent manner the said premises for the purpose of Hospital, an institute of Endocrinology, an Osteoporosis Centre and other connected medical purposes only and for no other purpose whatever. The Conductors shall not carry on any illegal activities or activities other than medical practice in the said premises.
 - (c) They at their own cost and responsibility shall engage competent staff, doctors etc. to run the said Hospital.
 - (d) The Owners' partners shall be entitled to the use the operation theatre and all indoor facilities in the said Hospital for which they shall pay the normal Hospital bill to the Conductors.
 - (e) The Conductors shall take the best care of the patients admitted in the said Hospital to the best of their ability by themselves and by engaging other competent and qualified Doctors, nurses, staff etc. irrespective of the fact whether hospitalisation charges are paid by such patients or not, the same being the sole and exclusive responsibility of the Conductors. If any claim is made for negligence and/or for inefficient medical services in the said Hospital, the Conductors alone shall be responsible for the same and in no case the Owners shall be held responsible for the same. The Conductors agree to keep indemnified and hereby indemnify the Owners against all such claims and consequences arising therefrom.
 - (f) The Conductors shall regularly pay and discharge all salaries and wages and all other liabilities of their staff and workmen employed by them and to Doctors

employed or engaged by them for running the said Hospital. The Conductors shall also regularly pay for all purchases effected for running the said Hospital as also discharge all kinds of taxation liabilities and all other liabilities, debts and commitments whatsoever from time to time incurred by the Conductors during the period of their Conducting the said Hospital. The Conductors shall not utilise the reputation or credit of the Owners in respect of such liability. It is clarified that all the expenses required for running the said Hospital shall be borne and paid by the conductors alone. The Owners shall not be held liable or responsible for any liabilities or claims of any nature whatsoever in respect of the same and the Conductors shall indemnify and keep the Owners indemnified against all claims in respect thereof.

- (g) Not to injure or damage any of the walls, partition walls, flooring, ceiling etc. of the said premises or any of the Owners fixtures, furniture, fittings and articles therein and to keep the same in good order and condition (reasonable wear and tear and loss or damage by fire, accident, irresistible force or act of God excepted);
- (h) The electricity, telephone, gas, water charges etc. in respect of the use thereof by the Conductors in the said premises shall be borne and paid separately by the Conductors.
- (i) During the validity period of this agreement, all maintenance, repair and service expenses required to be spent in respect of the said premises and all equipment, furniture, fixtures etc installed therein shall be borne and paid by the Conductors alone.
- (j) Not to paint, affix or exhibit any name, sign, symbolograph or writing or any other board upon or outside the said premises save and except that the Conductors shall be at liberty to put their name boards and/or name plates on the outer wall of the said premises to indicate the location and address of the Conductors and displaying their name as **"Conducted by"**.
- (k) The Conductors shall not carry out any work of permanent alteration whether structural or not in or about the said premises or any portion thereof.
- (l) Not to hold the Owners responsible or liable for any loss or damage suffered by the Conductors on account of destruction caused to or in the said premises or to any property brought by the Conductors in the said premises either by fire, accident, theft or otherwise or by any act or omission on the part of the occupants of other premises in the said building.
- (m) Not to disturb the Owners Polyclinic which is in remaining one-third portion of the said first floor premises.
- (n) To make good to the Owners any loss or damage that may be caused to the said premises and equipment or apparatus or any other fittings, fixtures, articles or property of the Owners therein as a result of negligence on the part of the Conductors, their servants, employees, agents, patients, visitors and/or persons calling at the said premises in connection with running of the said Hospital by the Conductors.
- (o) Not to do or permit to be done upon the said premises anything which may be or become a nuisance to the Owners or the other occupiers of the said premises or to any of the neighbours or which may prejudicially affect the rights of the Owners.
- (p) Not to bring or store in the said premises any combustible or otherwise

hazardous material as may impair the safety of the building or increase the premium of Insurance of the building or render void the Insurance;

- (q) To perform and observe strictly the provisions hereof and also the laws for the time being in force and also the rules and regulations and bye-laws of all the concerned authorities for the time being and from time to time in force and applicable to the running of the said Hospital as a medical institution. To carry out, perform and observe all Rules, Bye-laws and Regulations of the Municipal Corporation of Greater Bombay, the Bombay City Police, or any other Local or Public Authority now in force or which may hereafter come into force with regard to running of the said Hospital and medical activities in the said premises.
 - (r) Not to claim exclusive possession of the said premises, such exclusive possession of the said premises being with the owners alone.
 - (s) To indemnify the Owners against any loss or damage that may be suffered as a result of breach of any of the provisions herein contained or otherwise due to any act or omission of the Conductors, their staff, employees, servants, and agents leading to breach of the provisions hereof or of any existing law or rules and regulations and bye-laws of all concerned authorities as may be in force for the time being and from time to time.
 - (t) To cease to run the said Hospital as also the use of the said premises and remove themselves from the said premises with all their staff, employees and belongings and to restore the said premises to its original condition (reasonable wear and tear and loss or damage by fire, accident, irresistible force or act of God excepted) leaving the same in the hands of the Owners without any objection or obstruction at the end of the term hereof or on earlier determination of the licence hereby granted. At that point of time, the Owners shall be fully entitled to restrain the Conductors from making use of the said premises and/or from running the said Hospital. If any articles of his own are brought or installed by the Conductors in the said Hospital, the Conductors shall remove the same on expiry of the agreement.
7. During the subsistence of this Agreement or any extended period thereof as herein provided, the Conductors shall not do any act or omit to do any act whereby the rights or interest of the owners as owners of the said premises are affected or prejudiced or in any manner jeopardised. The Conductors hereby fully, completely and effectually indemnify the Owners from and against any loss or damage which the Owners may suffer by reason of any act or omission or breach, failure, default or neglect on the part of the Conductors.
 8. In the event of the Conductors failing to pay to the Owners the said monthly Royalty amount and/or other charges as provided herein or committing breach of any of the terms, covenants and conditions mentioned herein, the Owners shall be entitled to terminate this Agreement by giving 15 days previous notice in writing to the Conductors.
 9. The Owners are also entitled to put an end to this agreement without assigning any reason whatsoever by giving six months prior notice in writing to the Conductors. The Conductors will not be entitled to challenge the said decision of the Owners and the same will be binding upon him.
 10. The said interest free Security Deposit of Rs.4,00,000/- (Rupees four lakhs only) shall be refunded by the Owners to the Conductors (without any interest) on the termination of this Contract by efflux of time or its earlier determination after

deducting therefrom all sums of money which may be then due to the Owners and recoverable by them by virtue of these presents. If, however, the Conductors shall commit breach of any of the terms, covenants and conditions provided herein, the said Security Deposit shall be liable to be forfeited.

11. The Conductors shall under no circumstances directly or indirectly assign the benefits under this agreement to any person or persons, the Licence herein being intended to be strictly personal to them and granted on the faith of their personal qualifications and ability as medical practitioners.
12. Nothing herein contained shall create or shall be construed to create any tenancy or to confer or be construed to confer upon the Conductors any interest in the said premises or any part thereof and the said Hospital shall continue and be deemed to continue and remain in the possession of the Owners, the intention of the parties being to create a bare licence in favour of the Conductors in the manner herein provided.
13. The Conductors hereby covenant with the Owners, its' partners and their successors that the Conductors will indemnify and keep indemnified and hereby indemnify them against any loss, cost, charges and expenses, they may incur or suffer on account of any claim being made and established by any person/s in connection with the running of the said Hospital and other medical activities being conducted therein including liability arising from the patients care, negligence, inefficient service/medical treatment to the patients etc and which are agreed to be the sole responsibility of the Conductors alone.
14. The stamp duty and registration charges, in respect of this document, shall be borne and paid by the Conductors.
15. In case of any dispute or difference at any time between the parties hereto as to the construction, meaning or effect of this agreement or any clause or thing contained therein or the right and obligations of any of the parties hereto, the same shall be referred to the Arbitration under the law for the time being in force. The arbitration proceedings shall be held at Mumbai and the courts at Mumbai alone shall have jurisdiction to entertain the same.

SCHEDULE ABOVE REFERRED TO

(Description of "the said premises")

IN WITNESS WHEREOF the parties hereto have hereunto set and subscribed their respective hands the day and year first hereinabove written.

SIGNED AND DELIVERED BY)
THE withinnamed "**THE OWNERS**")
DR. DAYAWAN HOSPITAL AND CLINIC,)
a partnership firm by the hand of its' partner)
Dr. Dayawan, in the presence of)

SIGNED AND DELIVERED BY)

THE withinnamed **"THE CONDUCTORS"**)
DR. A B C AND DR. X Y Z)
in the presence of)