

## **Outsourcing a Pharmacy in Kribhco Hospital, Kribhconagar, Surat**

**Introduction:** KRIBHCO has an established 30 bedded hospital at Kribhco Township, P.O. Kribhconagar, Hazira, Dist. Surat, Gujarat for which kribhco intends to outsource a Pharmacy for dispensing medicines, surgical items and other consumables.

### **A. SCOPE OF WORK:**

1. Pharmacy Operator shall use the licensed premises only for running the Pharmacy – sale of medical and surgical items (medicines, surgical items, disposable items, dressing materials, IV fluids, and all other items related with Medicare in accordance with the prescription / material indent note provided by the medical personnel of Kribhco or any other Hospital / doctor /consultants / or other person authorised by KRIBHCO.
2. Pharmacy operator will have to provide personnel, telecom facilities, interior and exterior signage, facilities for transport of goods, maintenance of adequate inventory at their own cost and shall be responsible for all financial and accounting transaction of the Pharmacy.
3. Pharmacy operator shall obtain the required Drug License and all other legal permissions for operating the Pharmacy at their own cost.
4. Pharmacy operator shall be responsible for all the obligations and liabilities in respect to personnel deployed for running the Pharmacy and to carry out other related activities.
5. Kribhco does not guarantee minimum business volume to Pharmacy operator.
6. KRIBHCO retains the right to have any number of Pharmacy within their premises.
7. Pharmacy operator will have to enter into an agreement with Kribhco for running the pharmacy only as a licensee of KRIBHCO and shall have no tenancy or leasehold rights.

### **B. DURATION OF AGREEMENT:**

1. The space provided by KRIBHCO will be given on License basis for a period of 3 yrs. from the date of agreement in accordance with the terms and conditions contained herein unless terminated due to any reason mentioned therein the clause of termination of contract. This can be mutually extended further.
2. After completion of valid agreement period the Pharmacy operator shall take back all the medicines, surgical items and other consumables along with all their assets and vacate kribhco premises within thirty (30) days.

### **C. INFRASTRUCTURE:**

1. KRIBHCO will provide a space of approximately 180 sq. feet for OPD counter and 330 sq. feet for storage purpose within the Hospital premises for a period of 3 yrs. on chargeable basis @ of Re 1 per month.
2. The furniture and fixtures shall be provided by Kribhco (available as of now) and other requirements by the Pharmacy operator shall be at their own cost.
3. Necessary electricity will be provided free of cost by KRIBHCO to maintain and run OPD counter and Pharmacy store only.
4. One A-type accommodation may be provided free of cost for residential purpose of the staff, however electricity and natural gas consumed shall be chargeable at the prevailing rates of KRIBHCO and Gujarat Gas respectively. Kribhco will provide an intercom telephone connection for in-house use only.
5. Bus pass for the movement of employed staff of Pharmacy shall be issued free of cost.

6. Pharmacy operator shall not carry out any alteration to the premises without prior written consent from KRIBHCO.
7. KRIBHCO is entitled to claim damages from the Pharmacy operator if any loss or damages to the licensed premises due to negligence of Pharmacy operator.
8. The Pharmacy operator shall maintain the furniture and fixtures already available in the OPD counter and store and shall handover the same in good condition at the end of the contract. At the time of take over and hand over, an inventory of furniture, fixtures etc. shall be prepared jointly and duly verified by representatives of both Kribhco and Pharmacy Operator.
9. The Pharmacy operator shall stop using the premises and vacate it immediately on termination of contract.
10. On expiry of the license period and /or termination of the agreement for committing the breach of any of the terms and conditions of the license, the licensor will be entitled to restrain the licensee from entering into the said licensed premises by locking the same and whatever goods lying in the said licensed premises shall be sold by the licensor at the risks, costs and consequences of the licensee after deducting all the dues, cost charges and expenses incurred or suffered by the licensor.

**D. QUALITY MANAGEMENT:**

1. Pharmacy operator should ensure the quality and genuineness of the medicines to be kept in the pharmacy
2. The Pharmacy operator will not be allowed to sell any allied medical products / cosmetic products etc.
3. Pharmacy operator will store the medicine in a safe and clean environment and should maintain the proper cold chain.
4. They will follow good retail practices and other protocols as per the Drug and Cosmetic Act 1948.
5. The Pharmacy operator shall keep trained licenced Pharmacists and other trained professionals to supervise the storage and dispensing of medicines.
6. KRIBHCO or their Representative will have the right to inspect the licensed premises during the working hours without any prior notice.
7. KRIBHCO at any time, can check the quality / price of the medicine that are being supplied by the pharmacy operator from any agency or lab approved by the Govt.

**E. OPERATION AND MANAGEMENT:**

1. The licensee will operate the pharmacy at Kribhco Hospital located at Kribhconagar, Hazira Rd., Surat – 394515.  
Timings: 08.00 AM to 08.00 PM on all working days.

02.00 PM to 08.00 PM on Sundays and Holidays

2. In case of Emergency or any unforeseen situation, the Pharmacy operator has to provide the services as per the requirement of the hospital.
3. Pharmacy Operator will submit bills for all credit sales on monthly basis. The payment shall be made within 15 days from the date of submission after scrutiny and verification by KRIBHCO.
4. Pharmacy operator will dispense medicines, surgical items and other allied medical consumables to the residents of Kribhco township either on credit or cash basis as mentioned

in the prescription slips issued by the Kribhco hospital doctors. However, in case of cash basis mentioned in the prescription, the Pharmacy operator shall have to collect the cash directly for the medicines dispensed.

5. The stock of medicines and other surgical items shall be maintained by the Pharmacy operator as per the requirement of Kribhco Hospital, intimated by the in-charge of Kribhco Hospital from time to time.
6. Pharmacy operator shall bear the cost of inventory and other allied expenses to run the Pharmacy.
7. While making payment against submitted bills, KRIBHCO will deduct necessary taxes / levies if applicable
8. Pharmacy operator will provide adequate qualified staffing and manpower to run the Pharmacy. They will be sole responsible for the payment of their wages, remunerations and required working condition as per the statutory and legal requirements.
9. In case of power failure, system malfunction or any special circumstances, when the KHMS (Kribhco Hospital Management System) is non-operational, the operation of Pharmacy shall be continued manually so that patients do not suffer and smooth functioning of Hospital operations is not hampered. The medicines, surgical items and other consumables issued shall be regularised once the power / system is restored.
10. Either party, licensor or licensee can terminate the agreement by giving 3 months' notice in advance. In case of licensee terminating the contract, the licensee shall vacate the premises within 30 days after the expiry of notice period and shall handover all assets belonging licensor back to the licensor.

**F. SECURITY DEPOSIT:**

Pharmacy operator will deposit interest free security deposit of Rs.1 Lakh in the form of DD / Performance Bank Guarantee payable to KRIBHCO, Surat within 2 weeks from the effective date of agreement which shall be retained till the expiry of agreement and shall be refundable on successful execution of contract period.

**G. STATUTORY COMPLIANCES:**

1. Pharmacy Operator will keep necessary Drug License and comply with other statutory requirements as applicable under the state / central Govt. laws at its own cost.
2. Pharmacy operator shall be liable for compliance of all applicable statutory requirements including taxes and duties, and shall indemnify KRIBHCO against any liability.
3. The Pharmacy operator shall be liable as the employer towards the employees employed by him to run the Pharmacy and in case of any dispute raised by such employees for non-payment of wages and remunerations and /or matter connected with the terms of employment and/ or working conditions and under no circumstances, KRIBHCO shall be liable for such disputes / or consequences arising there from, for which Pharmacy operator shall give undertaking to KRIBHCO in prescribed format.
4. Pharmacy operator shall be liable and responsible for medico-legal issues and disputes arising out of the defects and deficiencies in the medicines, surgical items or any other allied consumables sold in the Pharmacy as well as services rendered by staff employed by operator and the consequences arising therefrom.

**H. TERMINATION OF THE CONTRACT:**

The licensor has the right to terminate the agreement between the licensor and licensee with a notice period of 3 months and forfeit the security deposit in the following circumstances:

1. Spurious or fake medicines found during inspection
2. Supply of expired medicines
3. Tampering with the packing of the medicines, surgical items etc.
4. Making any variations in the rates leading to financial loss to KRIBHCO
5. Dissatisfaction due to non-performance / poor performance as reported by the licensor.

**I. ARBITRATION CLAUSE:**

Any dispute or differences whatsoever arising between the parties out of or relating to the scope, operation or effect of this agreement or the validity or the breach thereof shall be settled by arbitration by sole Arbitrator, Operation Director of Licensor in accordance with the provisions of Arbitration and conciliation Act ,1996 and the award made in pursuance thereof shall be binding on both the parties.

Any dispute within aforesaid parties will attract the jurisdiction of Civil Court, Surat.