



Collaboration Agreement Format

COLLABORATION AGREEMENT

THIS COLLABORATION AGREEMENT ("Agreement") made this _____ day of _____, between amongst the following PARTIES: -

- 1) *[Insert name of the Principal Bidder]*, incorporated under the Laws of [●] with its registered office at [●] (hereinafter referred to as "Principal Bidder", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns; AND
- 2) *[Insert name of the Consortium Partner/Member]*, incorporated under the Laws of [●] with its registered office at [●] (hereinafter referred to as "Consortium Member", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns; The Principal Bidder and Consortium Partner/Member are individually referred to as "Party" and collectively referred to as "Parties".

WHEREAS

- (1) Garden Reach Shipbuilders and Engineers Limited ("GRSE") has floated a tender dated [●] ("Tender") for [●] ["Supply of Equipment/Service/Works to be constructed at Garden Reach Shipbuilders & Engineers Limited ("GRSE"), Kolkata"] (hereinafter referred to as the "Project") and GRSE shall process the Tender and award the Contract/Purchase Order to an experienced, qualified and selected Bidder/Contractor with proper technical experience.
- (2) The Principal Bidder is engaged in the business of [●]. The Consortium Member is engaged in the business of [●].
- (3) The Parties desire to forge a strategic business alliance to combine their skills and work under the leadership of Principal Bidder who will, on being awarded contract(s) / purchase orders for the Equipment/Works, assume the responsibility for itself and vicariously for the Consortium Member and the Parties shall work with each other in the performance of the contract(s) /purchase orders that may be entered into with the GRSE in pursuance of the Tender.
- (4) One of the conditions of the **Tender** is that the Parties should enter into a binding agreement amongst themselves such that they would work jointly and Principal Bidder shall be responsible for the completion of the Project in all respects and hold single point responsibility.

Now, therefore, the Parties hereto agree to work together and bind themselves, as follows:

1. The terms and conditions contained in this Agreement constitute a full statement of the contractual rights and obligations of the Parties in relation to the Project and supersede all prior negotiations, agreements and documents.
2. This Agreement defines and fixes the responsibilities governing the relations between the Principal Bidder and the Consortium Member in preparation of the bid and subsequent execution of the contract(s) / purchase orders for the Project.
3. It is hereby clearly defined, stated and agreed by the Parties that the Principal Bidder shall be responsible for itself and vicariously responsible for the Consortium Member and shall hold single point responsibility.
4. The Principal Bidder shall be responsible for:



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- (a) Preparation of bid to be submitted;
- (b) Making the final decision on all strategies for the Project, including the roadmap for performance of the Project;
- (c) All negotiations and communications with GRSE, as applicable;
- (d) Vetting and confirming all invoices raised by the Consortium Member;
- (e) Executing such contracts and undertakings that may be required by GRSE for the purposes of undertaking the Project;
- (f) **[Drafting Note: Please insert other clauses as applicable.]**

5. All costs incurred with regard to the bid shall be borne by the Principal Bidder and the Consortium Member. The Principal Bidder agrees to provide complete assistance for providing sufficient data/information required for preparation of the bid in its entirety.

6. At the time of submission of the bid, the Parties shall have jointly agreed to all schedules, timelines, terms and conditions, and all other matters whatsoever necessary for the submission of bid for each Party's scope of work.

7. Upon award of the contract(s) / purchase orders, the Parties shall perform their respective scope of work in accordance with the scope indicated in the technical bid and subsequently finalized during meetings with the technical negotiation committee and commercial negotiation committee of GRSE. The Principal Bidder may provide know-how and other technical assistance to the Consortium Member for performance of the Project by the Consortium Member. The Principal Bidder shall further put in place adequate quality control measures and ensure that the Project performed by the Consortium Member adhere to the highest standards of quality.

8. The Parties shall work to achieve local content, that is, items are to be manufactured in India, of a minimum of [●]% of the scope of supply for the first ship, with subsequent ship sets rising in local content, with a target to meet [●]% by ship no. N (put number of ships). The propose dindigenization plan is given below:

Ship set	1 st	2 nd	N th
Indigenization %				
Proposed item being indigenized				

9. It shall be the Principal Bidder's responsibility to GRSE (as applicable) in fulfilling all obligations as are required under the contract(s) / purchase orders at no extra cost and expense to GRSE. However, the Consortium Member along with the Principal Bidder shall be jointly and severally liable to GRSE for any breach of the conditions of the contract(s) / purchase orders entered into between GRSE and the Parties on award of the contract(s) / purchase orders.

10. The Parties shall, even though the Principal Bidder is solely and vicariously liable, fully discharge their obligations and co-operate with one another with respect to the Project during the term of this agreement and act at all times in such a way to further the common interest of the Parties. Without limit to the foregoing, the Parties reaffirm not to bid for the Project separately or in combination with any third party, without the mutual consent of the Parties.

11. Any changes or amendments to this Agreement shall be made in consultation with GRSE and are valid only when these are set out in writing as such amendments and signed by the Parties.



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12. The Parties agree that, if GRSE selects the Principal Bidder and issues a Letter of Acceptance ("LOA") / purchase orders to undertake the Project, the Principal Bidder shall ensure that the Parties, in good faith, use their best efforts to expeditiously agree on the terms and conditions of definitive agreement(s) based on the principles outlined in this Agreement and the terms and condition mutually agreed between the Parties prior to award of the Project.
13. Notwithstanding anything contained hereinabove, in the event of, the failure of the Parties to agree on definite agreement(s) as stated in Clause [12] above or in the event the Parties refuse to take up the Supply/Service/Works for the Project, the Principal Bidder and the Consortium Member shall jointly and severally compensate GRSE for all costs and damages incurred by GRSE from the stage of inviting of [prequalification bid] till the issue of LOA to the Principal Bidder.
14. This Agreement shall become valid upon execution by the Parties and shall continue till the Parties complete all the Supply/Service/Works (as applicable), to the satisfaction of GRSE, under the contract(s)/purchase orders awarded to them. However, this Agreement shall come to end on the occurrences of any of the following events:
 - (i) Cancellation of the Project by GRSE; or
 - (ii) Award of the Project by GRSE to a third party; or
 - (iii) The Parties being unable to agree on a mutually acceptable bid proposal to GRSE.
15. The Parties agree to keep confidential all information and data obtained from each other during the course of this Agreement for a period of [●] years from the effective date of this Agreement.
16. No Party shall have the right to assign or, in any way, transfer any of its rights or obligations under this agreement to any other company, firm or person(s) without prior consent in writing of the other Party and GRSE.
17. The Parties agree that as and when called upon by GRSE, the Parties shall execute all further deeds, documents and agreements as may be required by laws of India.
18. This agreement shall in all respects be construed and interpreted in accordance with the applicable laws of India.
19. Any dispute or difference arising under or out of this agreement which cannot be settled amicably between the Parties within sixty days, shall be finally decided by arbitration in accordance with the Arbitration Clause of this tender document.

IN WITNESS THEREOF, the Parties have entered into this agreement effective from the date as mentioned herein above.

For and on Behalf of

[Insert name of the Principal Bidder]

(Principal Bidder)

[Insert name of the Consortium Partner/Member]

(Consortium Partner/Member)

Note: Appropriate information to be filled by bidder at [●].