

**CONSORTIUM AGREEMENT**

This Consortium Agreement (“**Agreement**”) entered into at Chennai, India on this \_\_\_\_\_ day of 2014

BY AND BETWEEN

M/s. \_\_\_\_\_, an entity constituted in accordance with the laws of [Name of the Country] and having its Office at \_\_\_\_\_, acting through its duly authorized representative, Mr. / Ms. \_\_\_\_\_ [Please insert name and designation] (hereinafter referred to as the ‘First Participant Member’ which expression unless excluded by or repugnant to the subject or context be deemed to mean and include its successors-in-interest, authorized representatives, administrators, and permitted assigns) of the First Part;

AND

M/s. \_\_\_\_\_, an entity constituted in accordance with the laws of [Name of the Country] and having its Office at \_\_\_\_\_, acting through its duly authorized representative, Mr. / Ms. \_\_\_\_\_ [Please insert name and designation] (hereinafter referred to as the ‘Second Participant Member’ which expression unless excluded by or repugnant to the subject or context be deemed to mean and include its successors-in-interest, authorized representatives, administrators, and permitted assigns) of the Other Part.

WHEREAS National Institute of Ocean Technology, being a Society incorporated under the laws of Government of India and having its Registered Office at NIOT Campus, Velachery-Tambaram Main Road, Pallikaranai, Chennai – 600 100, Tamilnadu, India (hereinafter called “NIOT”) had invited bids for ----- (hereinafter called the “Project”) and the bid conditions require that the applicants bidding for the same should form a Consortium for bidding as well as executing the Project.

AND WHEREAS the Parties of the First and Second Parts jointly satisfy the eligibility criteria laid down by NIOT for participating in the bidding process by forming a Consortium between themselves.

The Parties hereby form such a Consortium subject to the following terms and conditions and this Agreement shall form a part and parcel of the Agreement for \_\_\_\_\_ for execution of the Project by NIOT, if and when awarded to the Parties hereto:

1. **Object:**

The object of this agreement is for the parties herein to arrive at a strategic understanding with each other to pool their resources, cooperate with each other and jointly prepare and submit their Draft Project Report which has been described in the Agreement entered in to with NIOT for \_\_\_\_\_ by NIOT, to take up the same and implement it as per its terms.

2. **Exclusivity:**

2.1 The Parties herein agree that no party shall, consequent to the successful bidding, withdraw from this Agreement during the execution of the Project in connection with the \_\_\_\_\_, for any reason, whatsoever.

2.2 The Parties herein also have represented and assured each other that they will abide by and be bound by the terms and conditions stipulated by NIOT for awarding the Agreement for \_\_\_\_\_ including signing contract with all stake holders/foreign principal in the execution of this Agreement and the above-mentioned Agreement for \_\_\_\_\_.

3. **Project Coordinator:**

The Parties hereby agree that the Party of the First Part shall act as the Lead Partner for self and on behalf of the other parties and shall enter into and execute the Agreement for \_\_\_\_\_ for itself and on behalf of the other parties. The parties herein further declare and confirm that they are jointly and severally bound to NIOT for execution of the Agreement for \_\_\_\_\_ in accordance with its terms and shall jointly and severally be liable to NIOT to perform all contractual obligations, including technical guarantees mentioned therein and in this Agreement. The Lead Partner is authorized to incur liabilities and receive instructions for and on behalf of any or all Partners of the Consortium.

4. **Responsibility and Obligations of the Parties:**

The responsibilities and obligations of each of the Parties herein shall be as delineated in Appendix-1 to this Agreement. In line with the past experience and specialization of the

Parties herein each Party will be responsible for the work allocated to them as per Appendix-1 aforesaid. **It is agreed that the financial responsibility of the works identified in Appendix-1 shall be as described in Appendix-2.** It is further agreed that the above-mentioned sharing of responsibilities and obligations shall not in any way be a limitation to the joint and several responsibilities of the Parties herein to NIOT under the project or the Agreement for \_\_\_\_\_

5. **Cooperation:**

5.1 The Lead Partner undertakes to cooperate with the other Parties in order to ensure smooth performance and execution of the Project and the Agreement for \_\_\_\_\_. The Lead Partner undertakes to provide NIOT with all information at its disposal for due performance of the Agreement for \_\_\_\_\_. The Parties herein also undertake to inform in time each other and NIOT regarding any financial problems or other impediments which may have an impact on the timely execution of the Project or performance of the Agreement for \_\_\_\_\_ and shall take all remedial measures to ensure successful performance of all the obligations of the consortium hereunder and under the Agreement for \_\_\_\_\_.

5.2 Notwithstanding the Lead Partner's liability in terms of this Agreement, each Party shall be fully responsible, liable and accountable for all financial transactions under this Agreement and the Agreement for \_\_\_\_\_ and each Party shall pay its own taxes and make other statutory and mandatory payments / taxes / duties. The Parties herein further undertake to ensure that all applicable legal regulations are observed, appropriate records are kept of all financial transactions and appropriate documentation, including, but not limited to contracts, orders and confirmations, receipts and invoices, time sheets of staff and payroll calculations are retained for all matters pertaining to this Agreement and the Agreement for \_\_\_\_\_.

5.3 The Lead Partner shall be responsible to maintain contact with NIOT and request clarification, guidance or advice whenever needed. The other Parties herein shall route all their requests with regard to clarification and guidance through the Lead Partner.

6. **Conflict of Interest:**

The Parties herein undertake to take all necessary measures in order to avoid any conflict of interest during the performance of the Agreement or the project or the Agreement for \_\_\_\_\_

\_\_\_\_\_ and also to identify any conflict of interest so that NIOT can consult with the Lead Partner and other Parties to sort out such conflicts.

7. **Post Contract Liabilities:**

For any loss or damage on account of any breach of this Agreement or the Agreement for \_\_\_\_\_ or any shortfall in the execution of the Project, meeting the guaranteed performance / parameters as per technical specifications / documents relating to the Tender or the Agreement for \_\_\_\_\_ the Lead Partner as well as the other Parties undertake to promptly make good such loss or damage on NIOT's demand without any demur. NIOT shall have the right to proceed against any one of the Parties herein in this regard and it shall neither be necessary nor obligatory on the part of NIOT to proceed against the Lead Partner before proceeding against the other Parties herein.

8. **Assignment:**

The rights and obligations of First and Second Participant Member under this Agreement shall not be assigned to any third party without the prior written consent of NIOT.

9. **Employers' responsibility:**

Each Party will be responsible according to the applicable laws and rules for their own personnel and property.

10. **Insurance:**

The Parties herein shall at their own expense take out and maintain insurance cover as may be necessary to cover their liabilities.

11. **Applicable Law:**

This Consortium Agreement shall be governed, construed and interpreted in accordance with the laws of India and the Courts in Chennai shall have the exclusive jurisdiction in all matters arising hereunder.

12. **Part of Contract:**

It is further agreed by the Parties herein that this Consortium Agreement shall be irrevocable and shall form an integral part of the Agreement \_\_\_\_\_ and shall continue to be enforceable against the Parties herein by NIOT till the terms of the Agreement for \_\_\_\_\_ are fulfilled. It shall be effective on the date first mentioned above for all purposes and intends.

IN WITNESS WHEREOF, the Parties herein have through their respective authorized representatives have executed these presents and affixed their hands and common seal of the respective companies on the day, month and year aforementioned.

For M/s. \_\_\_\_\_

**Managing Director**

**For and on behalf of the party of the First Part and the First and Lead Member**

(Authorized Representative)

WITNESS

Name:

Designation:

For M/s. \_\_\_\_\_

(\_\_\_\_\_)

**For and on behalf of the party of the Second Part and second participant member**

(Authorized Representative)

WITNESS

Name:

Designation:

For M/s. \_\_\_\_\_