

Tender No: LRDE/MMFD-PUR/26-27/27DCT007

CONTRACT DOCUMENT

Development, Supply, Site Assembly, Integration and Installation of High-Resolution Radar Hardware

Between

The PRESIDENT of INDIA
Represented By

DIRECTOR
Electronics & Radar Development Establishment
Govt. of India, Ministry of Defence
Defence Research & Development Organization
CV Raman Nagar,
Bengaluru-560093, Karnataka, INDIA

And

M/s Xxxxx,
Bengaluru, INDIA 000000

Contract No. :

, Dated: _____

Letter of Intent:

Dated: _____

Lat

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Contract No.

Dated: _____

Letter of Intent

Dated: _____

Signature of SELLER

Signature of BUYER

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1. OBJECTIVE (10%)

Investigate the effect of temperature on the rate of reaction between hydrogen peroxide and potassium iodide.

2. THEORY (10%)

The reaction between hydrogen peroxide and potassium iodide is an exothermic reaction. The rate of reaction is affected by temperature. As temperature increases, the rate of reaction increases.

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3. PROCEDURE (10%)

1. Prepare a series of test tubes containing different volumes of hydrogen peroxide and potassium iodide solutions.

2. Measure the time taken for the reaction to occur at different temperatures.

3. Record the results in a table.

4. Plot a graph of time against temperature.

5. Draw a conclusion from the results.

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LIST OF ANNEXURES

PROCESSED BY THE BUYER

Signature of the Buyer: _____

Annexure 1: Technical Specifications of the Radar Hardware	Annexure 1
Annexure 2: Bill of Materials (BOM) for the Radar Hardware	Annexure 2
Annexure 3: Software Requirements for the Radar Hardware	Annexure 3
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PREAMBLE

This Contract is made on the _____, Day of _____, in Bengaluru, between the President of India represented by **THE DIRECTOR, Electronics & Radar Development Establishment (LRDE), DRDO, Ministry of Defence, Govt. of India**, hereinafter referred to as the **BUYER** (which terms unless excluded by the context, shall be deemed to include his successor in office) on one part, and **M/s XXXXX, Bengaluru** registered under DRDO duly represented by _____, and incorporated under the laws of Indian Companies Act 2013 and having its registered office at **XXXXX, Bengaluru INDIA 000000** (which terms unless expressly indicated by the context shall be deemed to include its successors and its assignees), hereinafter referred to as the **SELLER** on the other part. The **BUYER** and **SELLER** shall collectively be referred to as the Parties.

WHEREAS, the **BUYER** agrees to buy and the **SELLER** agrees to supply the Goods/render Services as specified in this Contract and in accordance with the terms and conditions of this Contract.

The Parties have agreed to the following:

DEFINITION OF EXPRESSIONS

For the purposes of this Contract, the following terms shall have the indicated meanings:

Background Information	Means any existing Information generated, possessed or owned by the Parties Prior to the Contract signature or out of the course of the Contract performance, but which is necessary or useful to attain the objectives of the Contract.
Background Intellectual Property Rights	Means legal rights in Background Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.
Contract	Shall mean this Contract and its Annexure and including all subsequent amendments agreed to in writing by both Parties.
Effective Date of Contract (EDC)	Shall mean Effective Date of the Contract i.e., the date from where the counting of time schedule commences towards achievement of contractual obligations of the Parties.
Foreground Information	Means any Information pertaining to subject matter of the Contract, conceived, generated or developed by either Party in the course of the Contract Performance
Foreground Intellectual Property Rights	Means legal rights in Foreground Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.
Information	Means any information, knowledge or data, regardless of its form and characteristics, including but



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	not limited to that of a scientific or technical nature, experimental and test data, designs, improvements, manufacturing or assembling data, engineering or other documentation, specifications, test methods, test results, designs, or other information data or results of technical character, photographs, software (including source code), reports, manuals, processes, techniques, inventions (whether patented or not), product, prototype, technical writings, sound recordings, semiconductor topography, pictorial reproductions, drawings and other graphical representations, films whether on magnetic tape or any storage device, in computer memory, or in whatever form presented, and whether or not subject to copyright or other legal protection, know-how.
Intellectual Property Rights	Means legal rights in Information and other intangible property protected by law, including but not limited to, patents, registered and unregistered designs, copyrights and trademarks.
Installation	Shall mean installation of the equipment as per agreed installation specifications as in Annexure - I, Annexure -II, Annexure-III.
Parties / Party	Shall mean the BUYER and/or SELLER as per the context.
Technical Specifications	Shall mean the technical specifications as defined in scope of the Contract as well as any accepted modification of such technical specifications.
Third Party	Shall mean any Party other than the contracting Parties.



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ARTICLE 1
SCOPE OF CONTRACT

1.1 The **SELLER** undertakes to sell and deliver the item named _____, to the **BUYER** and the **BUYER** undertakes to accept and pay for the same according to the _____ stipulated in **Annexure-I**, _____ to this contract and the quantities, unit prices and total value, as per the terms and conditions stipulated in the contract.

1.2 The Price for the delivered goods/services are quoted **F.O.R LRDE**, _____ basis and fixed in INR.

1.3 The Total Contract value of the goods and services to be supplied/services rendered according to this contract amounts to **Rs.** _____, inclusive of 18% GST. Out of which the basic cost amounts to **Rs.** _____ and tax amounts to **Rs.** _____ which is as follows:

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ARTICLE 2

GOVERNMENT CLEARANCES

2.1 It shall be the responsibility of **SELLER** to seek and obtain necessary government clearances, approvals and authorizations in their country or from any other country as required for the execution of the Contract within _____ months from the date of issue of LOI dated _____.

ARTICLE 3

EFFECTIVE DATE OF CONTRACT

3.1 Contract shall come into effect/force (Effective Date T0) from the date of issue of Letter of Intent (LOI) dated _____.

3.2 Contract shall remain valid until the completion of last of the obligations of the parties under the contract. The deliveries, supplies and performance of the services shall commence from the effective date of contract.

ARTICLE 4

ADVANCE BANK GUARANTEE

4.1 Interest free mobilization advance payment of _____ % of the Total Contract value (inclusive of taxes) i.e. **Rs.** _____ may be made, against submission of Bank Guarantee, by the **SELLER**, in favour of **The Director LRDE**, Bengaluru for a sum equal to 110% of the advance payment value which is **Rs.** _____ by the **SELLER**. In case of termination of the Contract/extension of delivery period due to default of the **SELLER** or where advance taken has not been/could not be used for the purpose of order execution, interest free mobilization advance would be deemed as interest bearing advance, compounded quarterly, at the rate of 2% above MCLR (Marginal Cost of Funds based Lending Rate) declared by RBI pertaining to State Bank of India. The rates as applicable on the date of receipt of advance will be considered for this.

4.2 The Advance Bank Guarantee Bond shall be considered open upon receipt by the **BUYER's** bank.

4.3 The Advance Bank Guarantee Bond shall remain valid till two months beyond the final delivery and acceptance of stores by **LRDE**.

4.4 Where extension of an Advance Bank Guarantee Bond is necessitated, the costs/charges for same shall be borne by the Party whose default causes such an extension.

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4.5 The **SELLER** shall extend the Bank Guarantee till such time the **SELLER** completes delivery and **LRDE** completes acceptance.

ARTICLE 5 **PERFORMANCE CUM WARRANTY BOND**

5.1 The **SELLER** shall submit a Performance cum Warranty Bond by way of Fixed Deposit Receipt / Bank Guarantee (BG), in favour of **The Director, LRDE, Bengaluru**, or through e-MRO in favour of the CDA(R&D), Bengaluru for a sum equal to **Rs. _____** i.e. _____ % of the Contract value (including taxes and duties), within 30 days from the date of placement of Contract, failing which, **LRDE** at its discretion may cancel the Contract, forfeit the EMD (if applicable) and debar the **SELLER** for a reasonable period from participating in further tenders of **LRDE**. The PcWB submitted by way of Bank Guarantee /e-MRO, should be valid up to 60 days beyond the date of completion of all contractual obligations, including Warranty obligation.

5.2 The Performance cum Warranty Bond shall be considered open upon receipt by the **BUYER's Bank**.

5.3 In case any Contractual obligation remains outstanding, the **SELLER** shall extend the Performance cum Warranty Bond, as asked by the **BUYER** till such time the **SELLER** settles all claims and completes all contractual obligations.

5.4 The Performance cum Warranty Bond will be forfeited by the **BUYER**, in case the conditions regarding adherence to delivery schedule, warranty and any other provision of the contract are not fulfilled by the **SELLER**.

ARTICLE 6 **PAYMENT TERMS**

6.1 The Accounting and Payment currencies shall be **INR**.

6.2 To claim payment (part or full), the **SELLER** shall submit the bill(s) along with the relevant documents within 15 days from the completion of the activity/supply.

6.3 The total contract price referred to in **ARTICLE-1** of the Contract shall be paid in Stage-wise/Pro rata payments as per the milestone/time described below:

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T0 is the date of issue of LOI dated i.e. _____.

6.4 Mode of Payment

- (a) The payment(s) shall be released by CDA (R&D), Bengaluru through Electronic Fund Transfer (EFT).
- (b) It will be mandatory for the **SELLER** to indicate their bank account numbers and other relevant e-payment details to facilitate payments through ECS/EFT mechanism instead of payment through cheque, wherever feasible.

6.5 Following Documents to be furnished for Claiming Payment:

The payment of bills will be made within 45 days on submission of the following documents, as relevant, by the **SELLER** to the **BUYER** :

- (i) Ink-signed copy of Contractors Bill. (Format will be provided by **BUYER**)
- (ii) Ink-signed copy of Commercial Invoice / **SELLER's** Bill.
- (iii) EFTS details duly filled and signed.
- (iv) GST Certificate
- (v) Copy of PAN card, selected A/C no. indicated in EFTS form
- (vi) Cancelled cheque leaf to be enclosed along with bills
- (vii) Bank Guarantee for Advance, if applicable
- (viii) Bank Guarantee for PcWB
- (ix) Bank Guarantee for Stage Payment, if applicable
- (x) Copy of contract and amendment there on if any
- (xi) Warranty Certificate
- (xii) Details for electronic payment viz. Bank name, Branch name and address, Account Number, IFS Code, MICR Number (if these details are not already incorporated in the Contract).
- (xiii) Self certification from the **SELLER** that the GST received under the contract would be deposited to the concerned taxation authority.
- (xiv) Any other document/ certificate that may be provided for in the Contract.

6.6 The **SELLER** shall give a notification to the **BUYER** about the readiness of goods for dispatch 15 days prior to the delivery of the consignment.

In case of delay, the **SELLER** should seek in writing for delivery period extension at least 15 days prior to the original delivery period with valid reasons substantiated by relevant proofs.

6.7 All payments will be carried out with reference to the number of this Contract.



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6.8 SELLER's Banker address and account number are as under:

Name of Bank and address:

Account No. : _____

IFSC CODE : _____

ARTICLE 7 PRICE VARIATION: Not Applicable

7.1 The formula for Price Variation is as under:

$$P_1 = P_0 \{ F + a(M_1/M_0) + b(L_1/L_0) + \dots \} - P_0$$

Where

Parameter		Denomination	Value
P ₁	:	Adjustment amount payable to the SELLER (a minus figure will indicate a reduction in the Contract Price)	To be determined
P ₀	:	Contract Price at the base level	Indicate
F	:	Fixed element not subject to Price Variation	Indicate
a	:	Assigned percentage to the material element in the Contract Price	Indicate
b	:	Assigned percentage to the labour element in the Contract Price	Indicate
L ₀	:	Wage indices at the base month and year	Indicate
L ₁	:	Wage indices at the month and year of calculation	To be determined
M ₀	:	Material indices at the base month and year	Indicate
M ₁	:	Material indices at the month and year of calculation	To be determined

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Following conditions would be applicable to Price Adjustment

- a) Base date shall be due date of opening of price bids.
- b) Date of adjustment shall be midpoint of manufacture.
- c) No price increase is allowed beyond original Delivery Period unless the delay is attributable to the **BUYER** or Force Majeure.
- d) Total adjustment will be subject to maximum ceiling of _____ %.
- e) No price adjustment shall be payable on the portion of the payment made as an advance payment made in the Contract to the **SELLER**.

7.2 Price variation on account of Exchange Rate Variation (ERV) (Optional): Detailed time schedule for procurement of imported material and their value at the FE rates adopted for the Contract is as under :
Year wise and major currency wise import content break up

i) ERV will be payable/refundable depending upon movement of exchange rate with reference to exchange rate adopted for the valuation of the Contract. Base Exchange rate of each major currency used for calculating FE content of the Contract based on the SBI selling rate of the foreign exchange element on the date of the opening of Price Bids are as under:

ii) The base date for ERV would be the date of opening of price bids and variation on the base date will be given up to _____.

OR

The impact of notified ERV shall be computed on an yearly basis for the outflow as mentioned by the **SELLER** and shall be paid / refunded before the end of the financial year based on the certification of the **BUYER**. The import schedule of the Indian **SELLER** is as per Annexure- II.

iii) ERV clause will not be applicable in case delivery periods for imported content are subsequently re fixed /extended, except for reasons solely attributable to the **BUYER** or Force Majeure.

ARTICLE 8 **SPECIFICATIONS**

8.1 The **SELLER** guarantees to meet the _____.

8.2 The **SELLER**, in consultation with the **BUYER**, shall carry out technical upgradation /alterations in the design, drawings and specifications due to change in manufacturing procedures or obsolescence. This will, however, not in any way adversely affect the end specifications of the equipment/goods and the cost.

8.3 Where applicable, the upgradation/alteration in the design, drawings and specifications, as per 8.2, will

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be supported by necessary changes in Maintenance tools/Test equipment/Test Jigs and the same shall be provided to the **BUYER**, free of cost, within 15 days of affecting such upgradation/alterations.

ARTICLE 9 **QUALITY**

9.1 The quality of the goods/stores delivered/services rendered according to the contract shall correspond to the _____. The **SELLER** confirms that the goods/stores to be supplied under the contract shall be new i.e., not manufactured before _____.

ARTICLE 10 **FREE ISSUE OF MATERIALS (FIM)**

10.1 The following equipment/material will be provided by the **BUYER** to the **SELLER** at his own expenses. No FIM will be issued.

ARTICLE 11 **CONTRACT MONITORING & PROGRESS REVIEW**

11.1 A Contract Monitoring (CMC)/ Programs Review Committee (PRC) will be constituted by the **BUYER**. CMC / PRC will be conducted on a regular basis to monitor the activities and progress of the contract execution. The Committee shall review the progress of the Contract as per the stipulated milestones and recommend remedial measures if the progress is not as per contract and will report to the **BUYER**.

11.2 The Committee will meet at least once in every _____ of the Contract duration or on need basis at a venue decided mutually.

11.3 The **SELLER** will extend all support and information and depute suitable representatives for CMC / PRC.

11.4 All expenses in respect of travel, stay and medical etc. of the Committee Members shall be borne by the respective Party.

ARTICLE 12 **PRE-DESPATCH INSPECTION (PDI) & ATP**

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12.1 SELLER Should follow Inspection Instructions :

- i) Stage/Sub System Inspection, as per Annexure-II,III & IV
- ii) Pre Delivery Inspection, as per Annexure-II,III & IV
- iii) Factory Acceptance Test, as per ATP given in Annexure- _____ .
- iv) Post Delivery inspection on receipt of store, as per Annexure-II,III & IV
- v) Inspection Authority: The Inspection will be carried out by a representative of the Lab/Estt duly nominated by the Director.

12.2 The **BUYER's** representatives will carry out Pre-Dispatch Inspection (PDI) of the goods/equipment in order to check their compliance with specifications in accordance with Acceptance Test Procedures.

12.3 The **SELLER** shall intimate the **BUYER** at least 15 days before the scheduled date of PDI. The **BUYER** will send his authorized representatives to attend the PDI.

12.4 The list of **BUYER's** representatives will be communicated to **SELLER** at least 10 days in advance to apply for the necessary authorizations and clearances.

12.5 The **BUYER** reserves the right not to attend the PDI or to request for a delay in the beginning of the PDI in order to depute its representatives to attend such tests.

12.5.1 In case of delay, the **BUYER** shall inform in writing to the **SELLER**, at least 10 days before the date of the beginning of the PDI. If delay in PDI, due to request of **BUYER** results in delay in delivery of equipment/goods or in achieving a milestone, Liquidated Damages would be waived-off by the **BUYER** for such period.

12.5.2 In case the **BUYER** does not wish to attend the PDI, then the **BUYER** shall intimate same to the **SELLER** in writing.

12.6 The **SELLER** shall provide all reasonable facilities, access and assistance to the **BUYER's** representative for safety and convenience in the performance of their duties in the **SELLER's** premises.

12.7 All costs associated with the visit of **BUYER's** representative for PDI at **SELLER's** place such as stay, travel expenses, boarding and lodging accommodation, daily expenses, etc., shall be borne by the **BUYER**.

12.8 The **BUYER** representatives will carry out post-delivery inspection as part of acceptance of the

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goods/equipment/subsystems in order to check their compliance with specifications as per _____, _____. Post delivery inspection will be done as per approved _____ submitted by **SELLER** and Approved by **BUYER**.

12.9 Inspection Authority: The inspection will be carried out as per approved QA plan by a representative of the **LRDE** duly nominated by the **BUYER**.

ARTICLE 13 **PACKING AND MARKING**

13.1 The **SELLER** shall provide packing and preservation of the equipment and spares/goods contracted so as to ensure their safety against damage in the conditions of land, sea and air transportation, trans-shipment, storage and weather hazards during transportation, subject to proper cargo handling. The **SELLER** shall ensure that the stores are packed in containers, which are made sufficiently strong, and with seasoned wood. The packing cases should have hooks for lifting by crane/fork lift truck. Tags with proper marking shall be fastened to the special equipment, which cannot be packed.

13.2 The packing and marking of the equipment and spares/goods shall conform to the requirements of specifications and standards in _____.

13.3 A label in English shall be pasted on the carton indicating the Pertinent details of the item/s contained in the carton. The cartons shall then be packed in packing cases as required.

- i. Part Number:
- ii. Nomenclature:
- iii. Contract annex number:
- iv. Annex serial number:
- v. Quantity contracted:

13.4 One copy of the packing list in English shall be inserted in each cargo package, and the full set of the packing lists shall be placed in Case No. 1 painted in a yellow colour.

13.5 The **SELLER** shall mark package with indelible paints in English language as follows:

- i. Contract No
- ii. Consignee : _____
- iii. Port / airport of destination : _____
- iv. Ultimate consignee : _____

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v. Package No : _____

vi. Gross/Net weight (Kg) : _____

vii. Overall dimensions / volume : _____

viii. The SELLER's marking : _____

13.6 If necessary, each package shall be marked with warning inscriptions: < Top >, "Do not turn over", category of cargo, order of packing and stacking etc., will be prominently marked on each carton/ package.

13.7 Should any special equipment be returned to the SELLER by the BUYER, the latter shall provide normal packing, which protects the equipment and spares/goods from the damage or deterioration during transportation by land, air or sea. In this case the BUYER shall finalize the marking with the SELLER.

13.8 Suitable packaging shall be provided for the transportation of the units by air, ship or road without any degradation/damage. The transportation package shall be suitably made to protect the unit from rough handling. The unit shall be packaged in ESD protective package. This package shall also protect the unit from environmental conditions during transportation like heat, humidity, dust, shock, vibration, ESD etc.

ARTICLE 14 **DELIVERY**

14.1 The delivery of the goods/services shall be completed within _____ from the Date of and it includes the delivery, inspection, installation demonstration of complete technical specification as per the Scope of Work and acceptance by BUYER. Extension of delivery period with/without LD clause will be at the sole discretion of the BUYER.

14.2 The major milestones that lead to final delivery are as given below :

T0: Effective date of

14.3 Consignee:

The Director, Electronics & Radar Development Establishment (LRDE), DRDO Complex, CV Raman Nagar, Bengaluru, 560093, Karnataka, INDIA.

Contact Details : 080-25025208, 080-25025215.

14.4 The SELLER shall intimate to the BUYER by letter or fax, 15 days in advance, the anticipated date of delivery of each consignment. The information shall consist of quantities of the goods and all other details required in connection with the shipment of the consignment.

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14.5 Invoices and other dispatch documents shall be prepared in favour of Director, LRDE, Bengaluru-560093.

14.6 The **SELLER** will also forward a copy of the Commercial Invoice on the day of dispatch to Director, LRDE, Bengaluru-560093.

14.7 Despatch of Stores after Expiry of Delivery Period is not permissible unless extension of Delivery Period is obtained and amendment is issued.

ARTICLE 15 **TERMS OF DELIVERY**

15.1 The delivery of goods/equipment's shall be on F.O.R _____ basis.

Place of Delivery : _____

ARTICLE 16 **AIRLIFT (IF ORIGINAL DELIVERY TERMS NOT BY AIR)**

16.1 Should the **BUYER** intend to airlift all or some of the stores the **SELLER** shall pack the stores accordingly on receipt of intimation to that effect from the **BUYER**. Such deliveries will be agreed upon well in advance and paid for as may be mutually agreed.

ARTICLE 17 **LIQUIDATED DAMAGES (LD)**

17.1 The **Buyer** may deduct from the **Seller**, as agreed, liquidated damages at the rate of 0.25% per week / part thereof, of the total cost of the delayed stores which the **Seller** has failed to deliver within the period agreed for delivery in the contract. LD can also be levied on the **Seller** on the total cost of the stores supplied partially within the scope of the order/ contract that could not be put to use due to late delivery of the remaining stores. The maximum quantum of LD would be 10% of the total order value.

ARTICLE 18 **JOINT RECEIPT INSPECTION (JRI) IN INDIA**

18.1 **FOR STORES REQUIRING ONLY QUANTITY VERIFICATION:** The Parties agree that the Joint Receipt Inspection (JRI) of delivered goods shall be conducted at location nominated by **BUYER**.

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JRI shall be completed within _____ days of arrival of goods at _____ (named place). JRI will consist of Quantitative checking to verify that the quantities of the delivered goods correspond to the quantities without any visible damages as defined in the Contract and the Invoices.

18.2 FOR STORES REQUIRING QUANTITY & FUNCTIONALITY VERIFICATION: The Parties agree that the Joint Receipt Inspection (JRI) of delivered goods shall be conducted on arrival at location to be nominated by **BUYER** and informed to **SELLER**. JRI shall be completed within _____ days of arrival of goods at named place. JRI will consist of:-

- (a) Quantitative checking to verify that the quantities of the delivered goods correspond to the quantities without any visible damages as defined in the Contract and the Invoices.
- (b) Complete functional checking of the Equipment as per JRI procedure agreed by both Parties. The JRI procedure is placed at _____.

18.3 Upon completion of each JRI, JRI proceedings and JRI Certificate will be signed by both Parties. In case the **SELLER** representative is not present then the JRI proceedings and JRI Certificate shall be signed by the **BUYER** representative only and the same shall be binding on the **SELLER**.

ARTICLE 19 **WARRANTY**

19.1 The **SELLER** warrants to **BUYER** that **SELLER** is authorized to sell the goods/equipment under consideration in the contract.

19.2 The **SELLER** warrants that the goods Supplied Under the contract conform to technical specifications prescribed and shall perform according to the said technical specifications.

19.3 The **SELLER** warrants for a period of _____ months from the date of acceptance of final delivery of all stores at **LRDE**, Bengaluru. During the warranty period, the **SELLER** should carryout repair / replacement of unservicable items against manufacturing defects free of cost.

19.4 During warranty period **SELLER** has to provide support for any manufacturing defects and workmanship. In addition warranty should cover post installation requirements like quarterly maintenance and post installation checks.

19.5 The **SELLER** will declare that the goods/stores/articles sold/supplied shall be of the best quality and

Handwritten signature/initials

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workmanship and new in all respects and shall be strictly in accordance with the specifications and particulars contained / mentioned in the contract. The **SELLER** will guarantee that the said goods/stores/articles would continue to conform to the description and quality for the aforesaid warranty period from the date of acceptance / installation of the said goods/stores/articles. If during the aforesaid warranty period, the said goods/stores are discovered not to conform to the description and quality aforesaid, not giving satisfactory performance or have deteriorated, the **BUYER** shall be entitled to call upon the **SELLER** to rectify the goods/stores/articles or such portion thereof as is found to be defective by the **BUYER** within a reasonable period without any financial implication on the **BUYER**.

19.6 If the defective part/subsystem/system needs to be taken by the **SELLER** outside **BUYER's** premises to rectify the defect. **SELLER** shall provide a comprehensive (during transit & storage insurance for repair period) insurance cover of the equivalent amount to the **BUYER** to cover for the time taken to rectify the defective goods and deliver the repaired or replaced goods at the same location without any financial implication on **BUYER**.

19.7 **SELLER** should provide comprehensive on-site warranty for duration of _____ months from the date of inspection and acceptance by **LRDE**. During the warranty period the vendor should repair or replace faulty deliverables. Repairs or replacement should be free of cost and no transportation cost will be admissible for repair or replacement during warranty period. The supplier should bear transportation and insurance charges for movement of stores if any during the warranty period.

19.8 Warranty is inclusive of the software/firmware and the vendor shall undertake necessary efforts to correct any bugs and provide correction to the **BUYER** on reporting such bugs. **SELLER** shall issue/provide upgrades of the software free of cost during the warranty period.

ARTICLE 20 **CLAIMS**

20.1 The quantity claims for deficiency of quantity and/ or the quality claims for defects or deficiencies in quality noticed during the inspection shall be presented within 45 days of completion of inspection and acceptance of goods.

20.2 The **SELLER** shall collect the defective or rejected goods from the location indicated by the **BUYER** and deliver the repaired or replaced goods at the same location, within mutually agreed period, under **SELLER's** arrangement without any financial implication on the **BUYER**.

ARTICLE 21 **TRAINING**

21.1 The **SELLER** shall provide training to the personnel of the **BUYER** free of charge or (mention the cost and currency which is included /not included in the total cost of the Contract):

(b) The training schedule will be decided between **SELLER** and **BUYER** well in advance to facilitate them to plan logistics.

All expenses and charges in respect of participants of both Parties including travel, stay and medical expenses would be borne by respective Party.

ARTICLE 22

TAXES AND DUTIES

22.1 In respect of Indigenous Bidders

A. General

a) If the quoted prices exclude GST / Local Tax or any other statutory Duties/Taxes, the same must be specifically stated with applicable rates. In the absence of same, it will be presumed that the prices include all such charge and no claim for the same will be entertained.

b) If reimbursement of any Duty/Tax is intended as extra over the quoted prices, the Bidder must specifically say so. In the absence of any such stipulation it will be presumed that the prices quoted are firm and final and no claim on account of such duty/tax will be entertained after the opening of tenders.

c) If a Bidder chooses to quote a prices inclusive of any duty/tax and does not confirm that duty/tax so included is firm and final, he should clearly indicate the rate of such duty/tax and quantum of such duty/tax included in the price. Failure to do so may result in ignoring any respect for change of duty/tax at a later date due to any reason whatsoever.

d) Any addition to duty/tax and change in any duty/tax upward/downward as a result of any statutory variation in duty/tax taking place within contract terms shall be allowed to the extent of actual quantum of such variation of duty/tax paid by the supplier. Similarly, in case of downward revision in any duty/tax, the actual quantum of reduction of such duty/tax shall be reimbursed to the **BUYER** by the **SELLER**. All such adjustments shall include all reliefs, exemptions, rebates, concession etc., if any, obtained by the **SELLER**.

e) TDS as per Income Tax Rules will be deducted and a certificate to that effect will be issued by the **BUYER/BUYER'S** paying authority.

22.2 B. Customs Duty

Custom duty exemption Certificate will not be issued by the **BUYER** for components/ raw material imported by the Bidder. Bidder shall quote amount inclusive of Custom Duty as applicable.

22.3 C. GST

a. GST rates will be considered as per the published rates by GST Authorities as amended from time to time.

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- b. Unless otherwise specifically agreed to in terms of the Contract, the **BUYER** shall not be liable for any claim on account of fresh imposition and/or increase of GST on raw materials and/or components used directly in the manufacture of the contracted stores taking place during the pendency of the contract.
- c. Bidders are advised to specifically mention the rate of GST payable to facilitate correct evaluation of quotes. In the absence of such explicit declaration regarding %age, of tax rate, it would be deemed that quoted prices include applicable GST.

22.4 D. Local Taxes

- a. Normally, materials to be supplied to Government Departments against Government Contracts are exempted from levy of Town Duty, Terminal Tax and other levies of local bodies. The local Town/Municipal Body regulations at times, however, provide for such exemption only on production of such exemption certificate from any authorized officer. **SELLER** should ensure that stores ordered against contracts placed by this office are exempted from levy of Town Duty, Terminal Tax or other local taxes and duties. Wherever required, firm should obtain the exemption certificate from the Buyer, to avoid payment of such local taxes or duties.
- b. In case where the Municipality or other local body insists upon payment of these duties or taxes, the same should be paid by the **SELLER** to avoid delay in supplies and possible demurrage charges. After the issue of exemption certificate by the **Buyer**, the **Seller** may get the reimbursement from the local authority. In case of any difficulty, the receipt obtained for such payment should be forwarded to the **BUYER** without delay together with a copy of the relevant act or by-laws/notifications of the Municipality of the local body concerned to enable this office to take up the case for refund with the concerned bodies if admissible under the said acts or rules.

ARTICLE 23 **TRANSFER OF TECHNOLOGY**

23.1 _____

ARTICLE 24 **ANNUAL MAINTENANCE CONTRACT**

24.1

24.2 The AMC services would be provided in two distinct ways:

- a) Preventive Maintenance Service: The **SELLER** will provide a minimum of _____ visits during a year. Preventive Maintenance Service will be carried out at the designated place

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_____.

b) Breakdown Maintenance Service: In case of any breakdown of the equipment/system, on receiving a call from the **BUYER**, the **SELLER** is to provide prompt maintenance service to make the equipment/system serviceable at the designated place _____.

24.3 Response Time: The response time of the **SELLER** should not exceed _____ hours/days from the time the breakdown intimation is provided by the **BUYER**.

24.4 Serviceability of _____ % per year is to be ensured. This amounts to total maximum downtime of _____ days per year. Also un-serviceability should not exceed _____ days at any given time. Total down time would be calculated at the end of the year. If downtime exceeds permitted limit, Extension/Termination may be considered as per merit of the case as decided by the **BUYER**.

24.5 During the AMC period, the **SELLER** shall carry out all necessary servicing/repairs to the equipment/system under AMC at the current location of the equipment/system. Prior permission of the **BUYER** would be required in case certain components/sub systems are to be shifted out of location. On such occasions, before taking over the goods or components, the **SELLER** will give suitable comprehensive insurance cover to the **BUYER** to cover the estimated current value of items being taken out of location.

24.6 The **BUYER** reserves its right to terminate the maintenance Contract at any time without assigning any reason whatsoever after giving a notice of _____ months. The **SELLER** will not be entitled to claim any compensation against such termination. However, while terminating the Contract, if any payment is due to the **SELLER** for maintenance services already performed in terms of the Contract, the same would be paid as per the Contract terms.

ARTICLE 25

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (CNDA)

25.1 Except with the written consent of the **BUYER/SELLER** other Party shall not disclose the Contract

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or any provision, specification, plan, design, pattern, sample or information thereof to any Third Party.

25.2 The Confidentiality and Non Disclosure Agreement signed between the **BUYER** and the **SELLER** is attached at _____

ARTICLE 26 **NOTICES**

26.1 Any notice required or permitted by this Contract shall be written in English language and may be delivered personally or may be sent by Letter, e-mail or Fax addressed to the last known address of the Party to whom it is sent. Fax notice shall be followed by post copy in confirmation.

ARTICLE 27 **TRANSFER AND SUB-LETTING**

27.1 The **SELLER** has no right to give, bargain, Sell, assign or sublet or otherwise dispose of the contract or any part thereof, as well as to give or to let a third party take benefit or advantage of the Contract or any part thereof without written consent of the **BUYER**.

ARTICLE 28 **INTELLECTUAL PROPERTY RIGHTS**

28.1 The rights of Intellectual Property, developed under the Contract, Shall rest with _____ as per the articles detailed below.

28.2 The ownership of Background Information and Background Intellectual Property Rights, created by the Parties prior to the Contract, shall rest with the owning Party. However, the Parties shall be deemed to have royalty free, all paid up and nonexclusive rights to use and reproduce each other's such Background Information and Background Intellectual Property Rights for the purposes of the Development and Production work performed under this Contract.

28.3 The ownership of Foreground Information and Foreground Intellectual Property Rights shall be owned LRDE/DRDO.

28.4 All documentation considered, as Background Information as well as Background Intellectual Property Rights shall be marked accordingly. However, lack of marking as required above shall in no

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event derogate from the owner's right in the applicable Background Information as well as Background Intellectual Property Rights under the contract.

28.5 All documentation considered, as Foreground Information as well as Foreground Intellectual Property Rights shall be marked accordingly. However, lack of marking as required above shall in no event derogate from the owner's right in the applicable Foreground Information as well as Foreground Intellectual Property Rights under the contract.

28.6 BUYER shall be deemed to have all rights including a nonexclusive, irrevocable, royalty-free and all paid-up license for development, series production, product maintenance, continuing engineering support, product improvement, either by itself or by its licensees in India, any and all Background Information and Background Intellectual Property Rights, as well as ForeGround Information and ForeGround Intellectual Property Rights of the Parties, Whether or not legally protected, for the purposes of Defence applications in India.

28.7 In the event of either Party wishing to carry, use or deploy any Foreground Information and Foreground Intellectual Property Right, in any country other than India, explicit approval of the other Party to this Contract would be taken in advance.

28.8 The prices stated in the present Contract shall be deemed to include all amounts payable to **SELLER** for the use of any and all of its Background Information and Background Intellectual Property Rights, as well as ForeGround Information and ForeGround Intellectual Property Rights, whether legally protected or not, including but not limited to patents, copyrights, registered and unregistered designs, trademarks etc. for the purposes of Development and Production work performed under this Contract including for the purposes as mentioned in para 28.6.

28.9 SELLER warrants and assures **BUYER** that to the best of their knowledge there is no infringement of any Intellectual Property Rights including but not limited to Patent, Copyright, Design, Trademark or any other legal rights occasioned by supply, transfer, manufacturing, use of any Deliverables including Information, Technology, Equipment, Documentation of **SELLER**.

28.10 SELLER undertakes to indemnify **BUYER** against all costs, expenses and claims for damages made by any Third Party at any time arising from infringement of any Intellectual Property Rights including but not limited to patent, copyright, design, trademark or any other legal rights occasioned by supply, transfer, manufacturing, use of any deliverables including Information, technology, equipment, documentation of **SELLER**. In the event of any such claim or suit or any other proceedings by any Third Party, **SELLER** at their own cost agrees to:

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- i. Negotiate an agreement with such Third Party so that Deliverables including equipment, documents, information, technology under the Contract are no longer infringe upon under any Intellectual Property Rights including but not limited to Patent, Copyright, Design, Trademark or any other legal rights of such Third Party.
- ii. Modify at his own cost the Deliverables including equipment, documents, information, technology under the Contract suitably or to substitute suitably the same thereafter subject to the full satisfaction and requirement of BUYER.
- iii. Defend any claim, suit or proceeding at their own cost and expenses and satisfy the decree/order in any such claim, suit or proceedings at their own expenses and cost.

28.11 Provisions of the above shall survive the expiry or termination of the present Contract for a period of _____ years.

ARTICLE 29 **PRODUCT SUPPORT**

29.1 The SELLER agrees to provide Product Support for the stores, assemblies/sub-assemblies, fitment items, Spares and consumables, Special Maintenance Tools (SMT)/Special Test Equipment (STE) for a minimum period of _____ years excluding 01 year warranty.

29.2 Besides mandatory period, the SELLER would be bound to give at least two years notice to the BUYER prior to closing the production line so as to enable a life time buy of spares before closure of the said production line.

ARTICLE 30 **OPTION CLAUSE**

30.1 The BUYER shall have the right to place order on the SELLER on or before _____ from the effective date of this contract for the main equipment, spares, services as per the cost, terms and conditions set out in this Contract up to a maximum additional _____ % of the original contracted quantity.

30.2 To take care of any change in the requirement during the period starting from issue of RFP till placement of the contract. BUYER reserves the right to increase or decrease 25% of the tendered quantity of the required goods without any change in the terms and conditions and rates quoted by the SELLER. While awarding the Contract, the quantity ordered can be increased or decreased by the BUYER within this tolerance limit.

ARTICLE 31

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REPEAT ORDER

31.1 The **BUYER** can order up to _____ % quantity of the original contracted quantity under the present Contract within 12 months from the date of completion of supply of the original Contract. The Repeat Order will have rates on not exceeding basis (excluding taxes and duties) while the terms & conditions will remain unchanged. It will be entirely the discretion of the **BUYER** to exercise the Repeat Order or not.

ARTICLE 32 SECURITY

The following Security Guidelines are to be complied throughout the tenure of the Contract by **SELLER**:

32.1 Parties agreed to abide the official regulations consigning security of Government of India.

32.2 Parties agreed to treat classified information passed on to them under the Contract in accordance with the security agreement in force between the **SELLER** and **BUYER**.

32.3 All technical information should be handled between parties through print or confidential CD with password protection. Exchange of Technical Information by other means like Internet/Email or any other open platform is treated as a breach in security guidelines of **BUYER**.

32.4 Information shall be disseminated within **SELLER** premises on need to know basis only. Further **SELLER** also should maintain independent computers/network in which technical information/work handled relevant to this contract within the premises of **SELLER** should not be connected to internet, accordingly all security setup has to be in place.

32.5 Video conferencing may be held through internet (if mutually agreed) restricted to monitor project status. However, Confidential information during technical review and CMPRC should not be discussed in Video Conferencing over internet.

32.6 The **SELLER** shall ensure the confidentiality of all documents and related information pertaining to contract execution and also ensure data/information related to contract shall be held only by personnel authorised and part of the subject contract. The **SELLER** shall also ensure to secure their workplace to protect confidentiality of all information related to project.

32.7 The Contractor shall take all reasonable steps necessary to ensure that all persons employed in any work in connection with the contract have full knowledge of the Official Secrets Act and any regulations framed there under.

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32.8 Any information obtained in the course of the execution of the Contract by the **SELLER**, his servants or agents or any persons so employed, as to any matter what so ever, which would or might be directly or indirectly of use to any enemy of India must be treated as secret and shall not at any time be communicated to any person.

32.9 Any breach of the aforesaid conditions shall entitle the **BUYER** to cancel the contract and to purchase or authorize the purchase of the stores at the risk and cost of the **SELLER** in accordance with Special Terms and Conditions of the RFP which will automatically be considered as part of this contract, in addition to any other penal action the **BUYER** may take at its discretion.

32.10 Any contravention of the above mentioned provisions by the **SELLER**, his sub contractor, consultant, adviser or the employees of the **SELLER** invite penal consequences as per Official Secrets under section 5 of the Official Secrets Acts 1923.

32.11 The **SELLER** or sub-contractor, consultant, adviser or the employees engaged by the **SELLER** shall not use the name of **BUYER** for any publicity purpose through any public media like press, radio, TV or internet without written approval of the **BUYER**.

32.12 **SELLER** shall strictly comply with the security Rules & Regulations of the **BUYER** in force and shall complete the required formalities including verification from police until unless waiver given by **BUYER** for deployment of team from **SELLER** or his sub-contractors into the **BUYER** premises.

32.13 The drawings, specifications, prototype, samples and such other information furnished to the **SELLER** relating to the supply/work/sub-system/equipment etc. are to treated as confidential which shall be held by the **SELLER** in confidence and shall not be divulged to any third party without the prior written consent of the **BUYER**. The **SELLER** therefore, binds himself, his successors, heirs, executors, administrators, employees and the permitted assignee or agents directly or indirectly concerned with the works /supply to the confidential nature of the drawings, specifications, prototype sample, etc.

ARTICLE 33 **WORKING CONDITIONS FOR PERSONNEL**

33.1 Each Party undertakes to depute, at the contractually agreed dates, the personnel corresponding to the requisite contractual obligations. Each Party will assist the other's personnel and will provide them with the necessary means and facilities to conduct their missions.

33.2 The deputed personnel shall at all times be deemed to be employees of the respective side and will

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remain under their administrative control and shall be subject to their instructions only.

33.3 Each Party will have the right at any moment during the performance of the contract to replace any member of their personnel involved in such performance at their own cost.

33.4 The deputed personnel to the other Party shall not participate in a work other than the one related to their proper mission as defined by the deputing Party or in operational activities (such as military or anti-riot activities, etc....).

33.5 During the stay at the other parties premises, the deputed personnel shall abide by the laws and regulation inforce in the host state.

ARTICLE 34 **FRANKING CLAUSE**

In Case of Acceptance of Store(s): The fact that the goods have been inspected after the delivery period and passed by the Inspecting Officer will not have the effect of keeping the contract alive. The goods are being passed without prejudice to the rights of the **BUYER** under the terms and conditions of the Contract.

In Case of Rejection of Store(s): The fact that the goods have been inspected after the delivery period and rejected by the Inspecting Officer will not bind the **BUYER** in any manner. The goods are being rejected without prejudice to the rights of the **BUYER** under the terms and conditions of the contract.

ARTICLE 35 **TERMINATION**

The **BUYER** shall have the right to terminate the Contract in part or in full in any of the following cases:

35.1 The Store / Service is not received / rendered as per the contracted schedule(s) and the same has not been extended by the **BUYER**.

35.2 When the **SELLER** is found to have made any false or fraudulent declaration or statement to get the contractor the **SELLER** is found to be indulging in unethical or unfair trade practices.

35.3 When the item offered by the **SELLER** repeatedly fails in the inspection and/or the **SELLER** is not in a position to either rectify the defects or offer items conforming to the contracted quality standards.

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35.4 When both parties mutually agree to terminate the contract.

35.5 Any special circumstances, which must be recorded to justify the termination of a contract.

35.6 In pursuance of an award given by a court of Law or as per decision of the Arbitration Tribunal (Article-37).

35.7 The delivery of the store/service is delayed due to causes of Force Majeure (Article 40) by more than 06 months and the delivery period has not been extended by the **BUYER**.

35.8 The **SELLER** is declared bankrupt or becomes insolvent.

35.9 The **BUYER** has noticed that the **SELLER** has violated the provisions of Article-38 (Penalties for Use of Undue Influence) and/or Article-39 (Agents/Agency Commission).

35.10 If the contract is terminated in whole or in part; the **SELLER** agrees that the **BUYER** may take any one or more of the following actions:

- a. Bank Guarantees towards advance, stage payment and Performance Security/Warranty Bond will be forfeited and the amount will be remitted to Government by way of MRO through Public Fund Account in favour of CDA (R&D).
- b. Shall invoke the risk and expense purchase clause (Article- 48).
- c. The **SELLER** shall continue to perform the contract to the extent not terminated.
- d. Any other action as deemed appropriate.

In the event of termination, accounts will be settled in mutual consultation and Parties shall not be entitled for any damages incidental, consequential or indirect.

ARTICLE 36 **LAW**

36.1 The present Contract shall be considered and made in accordance to the laws of the Republic of India and shall be governed by and interpreted in accordance with the laws of the Republic of India.

ARTICLE 37

Initials of SELLER

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Initials of BUYER

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ARBITRATION

37.1 All disputes or differences arising out of or in connection with the Contract shall be settled by bilateral discussions.

37.2 Any dispute, disagreement or questions arising out of or relating to the contract or relating to the product or performance, which cannot be settled amicably, shall be resolved by arbitration in accordance with the following provision:

"The case of arbitration may be referred to arbitrator/arbitrators appointed as per section II of Indian Arbitration and Conciliation Act, 1996 as amended and the proceedings shall be conducted in accordance with procedure of Indian Arbitration and Conciliation Act, 1996 as amended".

37.3 The language of the Arbitration shall be English.

37.4 The Parties shall continue to perform their respective obligations under this Contract during the pendency of the arbitration proceedings except in so far as such obligations are the subject matter of the said arbitration proceeding.

37.5 The Arbitration Tribunal shall have its seat at Bengaluru in India.

37.6 The Arbitration Proceedings shall be conducted in India under the Indian Arbitration and Conciliation Act, 1996 as amended and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only.

ARTICLE 38

PENALTIES FOR USE OF UNDUE INFLUENCE

38.1 The **SELLER** undertakes that he has not given, offered or promised to give, directly or indirectly, any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the **BUYER** or otherwise in procuring the Contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract or any other contract with the Government of India for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other contract with the Government of India. Any breach of the aforesaid undertaking by the **SELLER** or anyone employed by him or acting on his behalf (whether with or without the knowledge of the **SELLER**) or the commission of any offers by the **SELLER** or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1860 or the Prevention of Corruption Act, 1986 or any other Act enacted for the prevention of corruption shall entitle the **BUYER** to cancel the contract and all or any other contracts with the **SELLER** and recover from the **SELLER** the amount of

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any loss arising from such cancellation. A decision of the **BUYER** or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the **SELLER**.

38.2 Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the **SELLER** towards any officer/ employee of the **BUYER** or to any other person in a position to influence any officer/ employee of the **BUYER** for showing any favour in relation to this or any other contract, shall render the **SELLER** to such liability/ penalty as the **BUYER** may deem proper, including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the **BUYER**.

ARTICLE 39 **AGENTS/AGENCY COMMISSION**

39.1 The **SELLER** confirms and declares to the **BUYER** that the **SELLER** has not engaged any individual or **SELLER**, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommend to the Government of India or any of its functionaries, whether officially or unofficially, to the award of the contract to the **SELLER** nor has any amount been paid, promised or intended to be paid to any such individual or **SELLER** in respect of any such intercession, facilitation or recommendation. The **SELLER** agrees that if it is established at any time to the satisfaction of the **BUYER** that the present declaration is in any way incorrect or if at a later stage it is discovered by the **BUYER** that the **SELLER** has engaged any such individual or **SELLER**, and paid or intended to pay any amount, gift, reward, fees, commission or consideration to such person, party, **SELLER** or institution, whether before or after the signing of this contract, the **SELLER** will be liable to refund that amount to the **BUYER**. The **SELLER** will also be debarred from entering into any contract with the Government of India for a minimum period of five years. The applicable rates on the date of opening of tender shall be considered for this.

39.2 The **BUYER** will also have a right to consider cancellation of the Contract either wholly or in part, without any entitlement or compensation to the **SELLER** who shall in such an event be liable to refund all payments made by the **BUYER** in terms of the Contract along with interest at the rate of 2% per annum above (i) MCLR (Marginal Cost Of Funds based Lending Rate) declared by RBI pertaining to State Bank of India. The applicable rates on the date of opening of tender shall be considered for this.

39.3 The **BUYER** will also have the right to recover any such amount from any contracts in vogue with the Government Of India.

ARTICLE 40 **FORCE MAJEURE** **("Force Majeure to be certified by concerned authority")**



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40.1 Neither party shall bear responsibility for the complete or partial non-performance of any of its obligations, if the non-performance results from such Force Majeure circumstances as Flood, Fire, Earth Quake and other acts of God as well as War, Military operations, blockade, Acts or Actions of State Authorities or any other circumstances beyond the parties control that have arisen after the conclusion of the present contract.

40.2 In such circumstances the time stipulated for the performance of an obligation under the Contract is extended correspondingly for the period of time commensurate with actions or circumstances and their consequences.

40.3 The party for which it becomes impossible to meet obligations under the Contract due to Force Majeure conditions, is to notify in written form to the other party of the beginning and cessation of the above circumstances immediately, but in any case not later than 10 (Ten) days from their commencement.

40.4 Certificate of a Chamber of Commerce (Commerce and Industry) or other competent authority or organization of the respective country shall be considered as sufficient proof of commencement and cessation of the above circumstances.

40.5 If the impossibility of complete or partial performance of an obligation lasts for more than 06 (Six) months, either party hereto reserves the right to terminate the Contract totally or partially upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the goods received.

40.6 A Party Claiming Force Majeure shall exercise reasonable diligence to seek to overcome the Force Majeure event and to mitigate the effects thereof on the performance of its obligations under the contract.

ARTICLE 41 **AMENDMENTS**

41.1 No provision of this contract shall be changed or modified in any way (including this provision) either in whole or in part except by an instrument in writing made after the Effective Date of this Contract and signed on behalf of both Parties and which expressly states to amend this Contract.

ARTICLE 42 **ACCESS TO BOOKS OF ACCOUNTS**

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42.1 In case it is found to the satisfaction of the **BUYER** that the **SELLER** has violated the provisions of use of undue influence and/or has engaged an Agent without information to **BUYER** or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents/Agency Commission and penalty for use of undue influence, the **SELLER**, on a specific request of the **BUYER** shall provide necessary information/inspection of the relevant financial documents/information/Books of Accounts.

ARTICLE 43 **INTERPRETATION**

43.1 In event of any conflict or discrepancy between the RFP and Articles of this Contract including its Annexure to the Contract, the RFP terms and conditions shall prevail.

43.2 The Contract together with its Annexures constitutes the entire agreement supersedes and cancels all prior representations. Negotiations and commitments whether oral or written including the **BUYER's** general conditions of purchase, and shall be considered as the entire agreement between the Parties with respect to its subject matter and there shall be no terms, obligations, covenant, representations, warranties, statements or conditions other than those contained herein. However in the event of any conflict or discrepancy (if any) between the RFP and Articles of this Contract including its Annexure to the Contract (other than those points mutually agreed upon by both parties), the RFP terms and conditions shall prevail.

43.3 Waiver: The failure of either Party to enforce any provision of the Contract shall not be considered as a waiver of such provision or of the right of such Party thereafter to enforce the same.

ARTICLE 44 **LIABILITIES**

44.1 Any damage caused to the property or suffered by the personnel of **BUYER** during the execution of Contract shall remain the liability of the **BUYER**. Such liability shall be fixed on the **SELLER** in case of grossly negligent act or omission on the part of the **SELLER**.

44.2 This provision is limited to the relations between the Parties. It is without prejudice the rights and actions to which the victims of damage, or any Social Security Organizations could prevail themselves legally.

44.3 Either party would provide reasonable assistance to resolve the claim of other Party to mitigate loss or damage.



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44.4 Neither, the **SELLER** shall be liable to the **BUYER**, nor shall the **BUYER** be liable to the **SELLER** for any immaterial, punitive, indirect, special, incidental, or consequential loss or damage. This will hold good irrespective of whether such liability is based or claimed to be based on any breach of a Party's obligation under the Contract, or any negligent act or omission of a Party, its employees, servants, appointed representatives, sub-contractor or professional consultants, or such liability arises otherwise out of or in connection with the Contract.

44.5 The **BUYER** shall not be liable for any compensation in any manner to the **SELLER** for whatsoever reason.

44.6 The **SELLER** shall be liable to the **Buyer** for any compensation in any manner for whatsoever reason for a sum exceeding value of the Contract.

ARTICLE 45 **BUYBACK**

The **BUYER** has agreed to trade the existing old goods while purchasing the new ones. The details for buy-back arrangement are as under:

45.1 Details of Items for Buy-Back - Make/Model, Specs, Year of Production/ Purchase, Period of Warranty/AMC etc.

45.2 Details of handing over of old Items/goods to **SELLER**: Within _____ days of _____ (No. of days and condition to be specified by the lab).

Handling charges and transportation expenses to take out the old items will be on account of the **SELLER**

ARTICLE 46 **INTEGRITY PACT**

Integrity Pact (signed for this present Contract) is part of this contract and both parties are bound by its provisions. The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the **BUYER** and the **BIDDER/SELLER**, including warranty period, whichever is later.

ARTICLE 47 **DENIAL CLAUSE**

47.2 Variations in the rates of statutory levies within the original delivery schedule will be allowed if taxes are explicitly mentioned in the contract and delivery has not been made till the revision of the statutory levies. **BUYER** reserves the right not to reimburse the enhancement of cost due to increase in statutory levies beyond the original delivery period of the contract even if such extension is granted without imposition of LD.

48.1 In case **SELLER** fails to honour the contractual obligations within the stipulated delivery period and as amended, **BUYER** may procure the said contracted goods/services through a fresh contract and the defaulting **SELLER** has to bear the excess cost incurred, if any.

All terms, which either by implication or expressly survive the expiry or termination of the Contract shall survive. In particular ARTICLES _____ (whichever applicable) will survive the expiry or termination of the Contract.

The Legal addresses of Contracting Parties are:

SELLER:	BUYER:
M/s INDIA	DIRECTOR LRDE,MOD DRDO COMPLEX, C V RAMAN NAGAR, BENGALURU,560093, KARNATAKA - INDIA

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ARTICLE 51 **TESTIMONIAL AND SIGNATURE OF THE PARTIES**

The authorized signatory of the **SELLER** should be shown to have been so authorized by the Resolution of the Board of Directors of the Company of the **SELLER** or duly authorized by the Memorandum/Articles of Association of the Company along with supporting documents for the same.

The Parties have signed the contract in four original copies on the _____ day of _____.

For SELLER	For BUYER
Signature	Signature
Name:	Name: SHEIK ALTHAF
Designation:	Designation: OS & Director, Electronics and Radar Development Establishment, Bengaluru
Office Seal	Office Seal
Witness 1	Witness 1
Witness 2	Witness 2

