

## MUTUAL COLLABORATION AGREEMENT

THIS AGREEMENT is made on this \_\_\_\_\_ day of  
(month), 202.. (year)

### Between

**SHRADDHA** (Society for Development of Human Resources through Handloom and allied activities), hereinafter called "the First Party", represented by its Secretary who is duly authorized as provisions of the Byelaws of the society to execute such agreement on behalf of the society (which expression shall unless repugnant to the context or meaning thereof mean and include his heirs, executors, administrators and assigns), herein after referred to as **First Party**;

### AND

**Shri/ Smt** \_\_\_\_\_, aged about \_\_\_\_\_  
Son/ daughter/ wife of Shri, \_\_\_\_\_ (Address) \_\_\_\_\_ PIN,  
Aadhar No. \_\_\_\_\_, PAN: \_\_\_\_\_ Mobile no +91 \_\_\_\_\_, Email: \_\_\_\_\_,  
residing at \_\_\_\_\_, here in after referred to as **Second Party**;

**First Party** and **Second Party** are individually referred to as "**Party**" and collectively as the "**Parties**";

**WHEREAS** the **First Party "Shraddha"**, a not-for-profit organization **NGO**, dedicated to the promotion of handloom/ handicraft and increasing the earning of the weaver/ artisans registered under the (i) Societies Registration Act, Odisha vide no: 19575 of 1994-95,(ii) Darpan Portal unique ID OR/2022/0334023 of Niti Aayog,(iii) sections 12 A and 80G of the Income tax Act, vide unique Reg no AACAS4415-QE20221 and QF20221 dated 10-12-2022) and (iv) number CSR00050638 dated 29-03-2023 of MoCA for undertaking CSR activities, having its registered office at: Sidheswar Sahi, Cuttack, Odisha-753008 Email:[shraddhahandloom94@gmail.com](mailto:shraddhahandloom94@gmail.com).

**AND WHEREAS** the **second party** is a weaver artisan actively engaged in weaving and production / processing / marketing of fabrics including sarees, dress material. dresses etc., primarily woven by hand with handloom having its registered unit at Odisha;

**AND WHEREAS** the Parties have come together in association for establishing a "**SHRADDHA**" brand for the handloom based product made by the second party with the clear intention of assuring the customer about the quality, genuineness of weaving/ designing / processing and reasonableness of price, which will in due course facilitate e-marketing.

**AND WHEREAS** first party "**SHRADDHA**", being a registered civil society organization, spearheaded by a group of technocrats having decades long experience and reputation of working with promotion of handloom at national and state levels including Dr Sanjay Kumar Panda IAS (Retd) former Secretary Ministry of Textiles, Shri Bijan Behari Paul, former Director, Weavers Service Centre, Shri Surendra Kumar Patra former Deputy Director, Weavers Service Centre and Shri Bani Ranjan Das former Manager Commercial National Handloom Development Corporation and supported by patrons with domain knowledge in weaving technology, marketing, and high stature in the society, who have come forward to support the cause, with a view to giving back to society.

**AND WHEREAS** first party seeks to empower the second party, who has come forward to work with the First Party, for production and marketing of quality handloom fabrics at a reasonable price as per the choice of the customers.

**AND WHEREAS** the parties have agreed that they shall work in good faith in furtherance of the common objective as described under this Agreement

**AND WHEREAS** the First Party has exposure to various communities within the state, the county as well as abroad through its widespread network of membership across the globe.

**AND WHEREAS** the Second Party seeks to take advantage of the Branding and social capital of the First party produced in widening the market coverage with stress on craft loving person with disposable income for marketing the fabrics.

**AND WHEREAS** in pursuance of the aforesaid, the parties hereto wish to record under this Agreement, the terms of their understanding in order to implement the procedures, terms & conditions as described below;

## **NOW THEREFORE THE PARTIES WITNESSED AS FOLLOWS:**

### **A. SCOPE**

The First party, to the extent possible, will provide to the second party

1. assistance for improvement of quality and diversification of product with quality, new design and appropriate technologies,
2. assistance for scaling up production and marketing.
3. assistance for adopting and maintaining institutional accounting practices.
4. to use its **Brand**, website and contacts for publishing and marketing handloom product,
5. Provide training for skill development and other assistance as and when required.

The second party will remain committed to

1. Production of fabrics on handloom and product made of it.
2. Disclose a correct account of the materials, weaving and processing techniques used for information of the buyers.
3. Keep the sale price reasonable and avoid profit maximization.

The parties hereto agree and acknowledge that the following shall be included in the Scope of Work that First Party may undertake to fulfil the obligations under this Agreement:

### **B. TERM & TERMINATION**

This Agreement shall be valid for an initial period of **three(3) years** from the date of execution with an option to renew it for a further period, upon mutual discussions between the parties.

Provided that it shall terminate on a prior day in the event of / on account of breach of any clause the terms and conditions of this agreement

### **C. CHARGES**

That the Second Party shall have to deposit a token amount of Rs.1,000/- (Rupees One Thousand) only with the first party in his bank account "**SHRADDHA**" in the State Bank of India, Chandi Chak, Cuttack branch, Account no: **4098 759 7141**, IFS code: **SBIN0010251**, which will be non-refundable.

### **D. NO AGENCY**

The parties hereby agree that this Agreement in no way constitutes any employer – employee

or agent-principal relationship between the parties.

## **E. NO ASSIGNMENT**

Nothing in this Agreement shall constitute any assignment of any IPR, Domain name, website rights or any other rights which belong to either party to the other party.

Second Party agrees that it shall not assign any of its obligations under this Agreement to a third-party without the prior written consent of the First Party.

## **F. MUTUAL COVENANTS**

### **A. OBLIGATIONS OF FIRST PARTY**

The First Party agrees that it shall try to fulfil the following obligations in good faith to the extent possible:

1. That the party of the first part shall endeavor, through its resources, to guide, handhold and provide required support to the second party (weaver producer) to generate awareness about the need to connect with the consumers appreciating handmade products and having disposable income both within and outside the state / country.
2. The first party shall guide the second party for availing all benefits under ongoing schemes and programmes of the central and state government. Further the first party shall supplement the government efforts from its own resources as well as by availing support under the Corporate Social Responsibility initiative and other sources.
3. The first party shall take steps for providing required skill and information to the second party for using digital marketing and financial managements practices for getting connected with potential buyers, generating awareness about the products, practices, in getting the taste of the buyers, producing goods accordingly and selling it online.
4. The first party shall take steps to provide support for nutrition, health, drinking water, sanitation of the weavers' children up to six years and pregnant/ nursing mothers by making best use of the ongoing government schemes and programs for which the second party shall have to extend required cooperation.
5. The first party shall make necessary efforts to promote plantation of fruits, flowers and shade bearing trees, soil, water and environmental conservation for which the second party shall have to extend required cooperation.
6. The first party shall make necessary efforts for other activities in the best interest of the second party incidental to promotion of handloom and increasing their earnings..

### **B. OBLIGATIONS OF THE SECOND PARTY**

The Second Party warrants and represents that it shall:

1. Produce products by handloom with quality and in compliance with all applicable laws.
2. Adhere to the basic approach of first party's commitment to ethical principles and sustainable development practices.
3. Provide correct accounts of their identity, address, bank details, contact numbers, as well as of the handloom products prepared with relevant details as and when required by the first party.

4. Adhere to ethical trade practices all the time in course of production, packing, timely delivery, firm price on agreement with the customer and above all the quality of the handloom product as per industry standards.
5. Use reasonable endeavor to acquire new skill, technology, practices for improving the quality of fabrics and diversify for meeting the choice and satisfaction of the customers.
6. Disclose relevant details about the product, the procedure involved, the time taken for making the product etc. as and when required by the first party.
7. Shall take prompt action on any complaint received about the product sold, either replace or refund the amount paid to the buyer, in case any defect is found to be true.

#### **G. INSPECTION RIGHTS**

The Second Party agrees and understands that in the interest of the broad objectives of engagement, the First Party will have the right to inspect his premises for ascertaining relevant details about the product, the procedure involved, the time taken for making the product and other product related information.

#### **H. DISCLAIMERS & INDEMNITY**

The First Party disclaims any / all liabilities that may arise due to any third-party / customer claims against the products / fabrics of the Second Party sold through the website of the First Party. The First Party shall not be liable for any customer related issues / disputes. The Second Party undertakes that such issues and disputes shall be resolved by the Second Party and the Customer directly. The second party agrees to take appropriate steps to resolve the customer complaints to mitigate any damage / loss arising out of or under such complaints. This, however, does not absolve the Second Party from its duty to fulfil its obligations as prescribed under this Agreement.

That the second party hereby indemnifies the first party against suppression of fact relating product quality, reliability or any other product related complication with the customer. That First Party has formulated the following conditions which shall be binding upon the Party of the Second Part and the same shall not be altered without the approval of competent authority of First Party.

#### **I. OTHER PROVISIONS**

1. That the parties jointly shall work in tandem for following extra social welfare activities like welfare women and children of his/her family by initiating various health and educational programmes.
2. Taking appropriate action in conserving water, soil, energy and environment in particular.
3. That any amendments shall be allowed to be made to this Memorandum only on written and signed consent of both parties.
4. That the amendments shall be binding on both parties as much as the Memorandum. The Memorandum and its amendments shall be applicable to every individual in both parties' organizations just as they are applicable to the parties.
5. This Memorandum shall be treated as the final understanding to both parties.
6. The Memorandum shall be legally binding and enforceable.

7. The Memorandum shall supersede any previous agreements or contracts, written or verbal.

**J. DISPUTE RESOLUTION**

- (i) In the event of arising any dispute between the parties, the parties shall make the first endeavour to resolve disputes amicably through one-on-one discussions.
- (ii) Parties under this clause do not in any way waive their right to seek legal enforceability in courts of Odisha.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SIGNED ON THESE PRESENTS OF MEMORANDUM OF AGREEMENT IN THE PRESENCE OF WITNESSES.

**FOR AND ON BEHALF OF FIRST PARTY**

**FOR AND ON BEHALF OF SECOND PARTY**

**Signature:**

**Signature:**

**WITNESS -1**

**WITNESS -2**

**(Name and Signature)**

**(Name and Signature)**