

**MODEL MEMORANDUM OF AGREEMENT (MOA) TO BE  
EXECUTED BETWEEN NODAL AGENCY (NA) AND  
IMPLEMENTING AGENCY UNDER SCHEME OF FUND FOR  
REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)**

**MEMORANDUM OF AGREEMENT (MOA) TO BE EXECUTED BETWEEN  
NODAL AGENCY (NA) AND IMPLEMENTING AGENCY**

THIS AGREEMENT made at Mumbai this ..... day of .....2019 between **THE KHADI AND VILLAGE INDUSTRIES COMMISSION**, a statutory body, having its head office at 3, Irla Road, Vile Parle(W), Mumbai, **hereinafter referred to as "Khadi and Village Industries Commission"** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the ONE PART and ..... a .....established/registered under ..... Act and having its registered office at ..... hereinafter referred to as the "Implementing Agency" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns) of the OTHER PART.

**Preliminary:**

WHEREAS:

a) The **Khadi and Village Industries Commission (KVIC)** is a **statutory body created by an Act of Parliament** and functioning under the Ministry of MSME, Govt. of India to devote itself to the development and promotion of **Khadi and Village Industries** in the country with the support, assistance and guidance of the Govt. of India.

b) The Government of India, with a view to making the traditional industries more productive and competitive and facilitating their sustainable development, has announced a scheme for regeneration of traditional industries, by name **"Scheme of Fund for Regeneration of Traditional Industries (SFURTI)"** under which clusters of traditional industries in the MSME sector are setup and developed . The Scheme is implemented by the Ministry of Micro, Small and Medium Enterprises (MSME) and its organizations and institutions in collaboration with State Govts. The orders on approval of this scheme, its operational guidelines prescribed by the Govt. of India and its amendments from time to time, will form integral part of this agreement.

c) The Government of India has identified the **Khadi and Village Industries Commission** as the Nodal Agency (NA) for

implementation of the scheme related to **Khadi and Village Industries** sector who shall in turn identify the Implementing Agencies (IA) for the proposed clusters in a transparent manner with the approval of the Scheme Steering Committee (SSC) constituted by the Ministry of Micro, Small and Medium Enterprises (MSME).

d) The objectives of the Scheme are:

1. to organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability and economy of scale;
2. to provide sustained employment for traditional industry artisans and rural entrepreneurs;
3. to enhance marketability of products of such clusters by providing support for new products, design intervention and improved packaging and also the improvement of marketing infrastructure;
4. to equip traditional artisans of the associated clusters with the improved skills and capabilities through training and exposure visits;
5. to make provision for common facilities and improved tools and equipments for artisans; .
6. to strengthen the cluster governance systems with the active participation of the stakeholders, so that they are able to gauge the emerging challenges and opportunities and respond to them in a coherent manner;
7. to build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

8. to look for setting up of multi-product cluster with integrated value chain and a strong market driven approach for viability and long term sustainability of the cluster;
9. to ensure convergence from the design stage with each activity of the cluster formation and operations thereof.
10. to identify and understand cluster's target customers, understand their needs and aspirations and develop and present product lines to meet the requirement. Substantial focus should be on the buyer segment that places a premium on natural, eco-friendly, ethically sourced and the uniqueness of the Khadi and VI products.
11. to develop specific product lines out of the currently offered diversified basket of heterogeneous products based on the understanding of the target consumer segment. A brand unification exercise also needs to be done to maximize the value.
12. to make a paradigm shift from a supply driven selling model to a market driven model with the right branding, focus product mix and correct positioning and right pricing to make the offering holistic and optimal for each of the focus categories.
13. to tap the E-Commerce as a major marketing channel given the outreach and the growing market penetration of E-Commerce, there is a need to devise a quick strategy to make its presence felt in the E-Retail space.
14. to make substantial investment in the area of product design and quality improvement. There is a need to standardize the quality of inputs and processes so that the products meet the quality benchmarks. Research need to be done to develop new textures and finishes to cater to the prevailing market trends.

e) The SFURTI, with a view to achieve the aforesaid objectives, envisages the development of certain selected activities of village industries by developing clusters, setting up of Common Facility Centers (CFC), capacity building, design up-gradation, marketing channels and forum, market facilitation centers and strengthening of Sales outlet, , etc.

f) The **Khadi and Village Industries Commission**, being the Nodal Agency is desirous of implementing the said Scheme in each cluster through well knit system of Technical agency (TA), Implementing Agencies (IA) such as Registered Institutions/ Societies, Institutions of Non Government Organizations (NGOs), Institutions of Central Government and State Government and Semi Government Institutions, Cluster Development Executive, and other resource providers, etc.

g) The Implementing Agency, being actively involved in the activities for the development of **Khadi and Village Industries** / rural employment, possesses the requisite expertise to implement the said Scheme and desirous of undertaking the Scheme and accordingly approached the **Khadi and Village Industries Commission** for undertaking the ..... Cluster programme (herein after referred to as the "said Programme") under the said Scheme on the terms and conditions herein after appearing.

***NOW THIS AGREEMENT WITNESSETH:***

**1) Terms and conditions;**

The assignment given to the Implementing Agency shall include and comprise the following:

- (a) The Institution/ NGO shall work as the Implementing Agency and would identify and arrange suitable land for the cluster at.....
- (b) The Implementing Agency shall extend all the benefits/ outcome envisaged through the various interventions of Cluster to the artisans enlisted in the approved DPR. However, in the

event of unavoidable circumstances, if any artisans happened to be delisted and more and more new artisans requires to be enrolled to maintain the minimum number of artisans as approved by SSC. The Implementing Agency shall implement various interventions as outlined in the approved Detailed Project Reports of clusters and shall during the implementation of the said cluster programme, provide from time to time, equipments/ machines/ tools/ working capital/raw material and other infrastructure facilities to be used for common facility, by way of user fee based model to the beneficiaries in the cluster in a phased manner. The Implementing Agency shall take proper care, upkeep, insurance and account of these assets, keep them in trust and ensure its efficient operation till the completion of the said programme and thereafter, as required.

(c) The Implementing Agency will make available the assets provided at the Common Facility Centre as aforesaid and the records and books of accounts of the cluster for inspection by any officials of the Comptroller & Auditor General of India, Ministry of MSME/ its authorized agents or agencies and **Khadi and Village Industries Commission**.

(d) The Implementing Agency will oversee the formation and registration of a Special Purpose Vehicle (SPV) in the cluster before seeking approval for hard interventions under the project. SPV may be any of the following legal entities: -

- i. a Society registered under Societies (Registration) Act, 1860;
- ii. a Co-operative Society under an appropriate statute;
- iii. a Producer Company under section 465(ii) of Companies Act, 2013 (18 of 2013);
- iv. a Section 8 Company under The Companies Act, 2013 (18 of 2013);
- v. a Trust; or
- vi. Any other legal entity, with the prior approval of SSC.

(a) Existing Khadi and Village Industry (KVI) institution and other legal entity will be a deemed SPV, if its Managing Committee,

by whatever name called, has a fair representation of artisans (at least 33%).

(b) In case the PRIs at the cluster level desires to be the IA, it can form an SPV ensuring that the cluster micro-enterprises/beneficiaries hold a minimum 33% of the total equity in the SPV.

(c) In case of private sector promoted SPVs the shareholding of the lead investor/private partner shall not normally exceed 50% of the total equity.

(e) The assets provided at the Common Facility Centre shall always be the property of **Khadi and Village Industries Commission** during the continuance of the said programme and thereafter, unless otherwise specified in writing by the **Khadi and Village Industries Commission** and the Implementing Agency shall keep identification marks on the body of the assets procured by utilizing the scheme funds and put up appropriate name boards for the said programme at the premises of the cluster and the Common Facility Centres.

(f) The Implementing Agency shall keep separate records and books of accounts for the said programme and the funds utilized there under.

(g) The Implementing Agency shall be responsible to furnish Utilization Certificates as per the formats prescribed for the funds released by the **Khadi and Village Industries Commission** under this programme from time to time and send quarterly/half yearly/yearly reports and returns regularly on the progress of the said programme in the prescribed formats to the **Khadi and Village Industries Commission**.

(h) The Implementing Agency may levy service charges for utilization of Common Facility Center's assets at the rates fixed in consultation with **Khadi and Village Industries Commission**. The services of the Common Facility Centre shall be made available to all those agencies/ artisans/entrepreneurs whomsoever working in the **Khadi and Village Industries** sector.

(i) The Implementing Agency shall recruit and engage a full-time Cluster Development Executive to be located in the cluster, preferably one amongst the stakeholders, in order to ensure efficient implementation of the project. Selection of Cluster Development Executive must be made from 3 options viz. (i) a local capable & strongly acceptable Cluster Development Executive from among the beneficiary group, (ii) grooming of an existing person from the group to become a good Cluster Development Executive and (iii) if options (i) and (ii) fails, an externally recruited Cluster Development Executive. Additional qualifications, experience and expertise to be considered while selecting the Cluster Development Executives in line with the requirements of the project deliverables.

(j) In case an external person is chosen as the Cluster Development Executive, a capable local person may be made the deputy to the Cluster Development Executive by the Implementing Agency so that he is groomed to take up the responsibility once the regular Cluster Development Executive leaves the cluster after financial support is stopped.

(k) The Cluster Development Executive appointed by the Implementing Agency shall be responsible for the implementation of the programme and to conduct diagnostic studies in the clusters and prepare annual action plan/ annual plan besides promoting linkages with professional institutions, local institutions, PRIs assisting the sourcing of raw materials, tying up of credit linkages, marketing of finished goods, collection of user fees, operation and maintenance of CFCs etc.

(l) Implementing Agency shall be eligible for Technical Supports from the Technical Agencies engaged by the **Khadi and Village Industries Commission** for each Cluster who have expertise in cluster development methodology.

(m) The Implementing Agency shall be liable to implement the cluster development methodologies/ strategies formulated/ prescribed by the **Khadi and Village Industries Commission/** Technical Agencies from time to time or as finalized mutually and also to formulate the consortium of the beneficiaries/cluster level stake holders wherever applicable towards the productive prospects, benefits and sustainability and long life of the cluster.



(n) The duration of the SFURTI programme shall be up to ....., unless it is extended further, in writing by **Khadi and Village Industries Commission**.

(o) That Implementing Agency and its functionaries shall be jointly and severally liable to **Khadi and Village Industries Commission** for performance of the work including performance of services and of the Implementing Agency's obligations including that of its associates, contractors/ sub-contractors engaged for the cluster development, well before the date of termination of the programme.

(p) That the Implementing Agency agree and acknowledge that the time of completion of the project, as set forth in this agreement, is the essence of the contract and Implementing agency shall accordingly undertake the performance of work with the objective of achieving the project implementation and completion within the prescribed time schedule, complying with the qualitative and quantitative parameters of the specified deliverables in the Detailed Project Report.

(q) The Implementing Agency shall abide by the contents of the operational guidelines of the scheme prescribed by Govt. of India vide .No 4/4/2012-KVI-I dated 27<sup>th</sup> June, 2018 and Circular vide No 4/67/2016-KVI-1 dated 06.07.2016 issued by the Government of India, Ministry of MSME and the amendments, if any made from time to time. The said communication shall also form part of this agreement.

(r) The IA shall endeavor to increase participation of various other cluster stakeholders and institutions by forming a Cluster Advisory Group, preferably headed by the District Magistrate and with representation from PRIs, traditional industry enterprises, support service institutions, banks, etc. with the objective of fostering increased level of involvement of various cluster stakeholders and strengthening the implementation of the project.

(s) The Implementing Agency shall evolve mechanism in consultation with Technical Agency (TA) to enhance marketability of products of such clusters by providing support for new products, design intervention and improved packaging and also the improvement of marketing infrastructure.

(t) The tripartite agreement signed by **Khadi and Village Industries Commission**, Implementing Agency and M/s..... Special Purpose Vehicle will also form part of this agreement.

(u) The Implementing Agency will open an office with all infrastructure and function in the cluster area. Moreover, Implementing Agency should nominate one person in that office as office assistant other than Cluster Development Executive, for carrying out daily activities of the office premises.

(v) The Implementing Agency agree to undertake the procurement of goods and services, engagement of contractors, consultants, experts etc. for the cluster as and when required in a fair & transparent manner consistent with the Govt. of India rules and regulations and the directions from **Khadi and Village Industries Commission** from time to time.

(w) IA shall ensure that the services of the facilities created under the Scheme are extended to the cluster in general, in addition to the member enterprises.

(x) IA shall be responsible for O&M of assets created under the Scheme beyond the project duration. IA shall ensure that the users of these facilities pay for the services rendered, for the maintenance of the assets.

(y) In case of dissolution of IA/SPV within 10 years from the date of sanction of assistance by the Government under the Scheme, the assets created with such assistance shall be vested with the Government. The IA should incorporate this condition in the Memorandum of Association & Articles of Association of the SPV. In case of deemed SPVs, the IA will furnish and undertaking to this effect.

(z) The release of costs of Implementing Agency will be need based and on quarterly basis.

## **2) Financial Assistance:**

(a) The Financial assistance from the **Khadi and Village Industries Commission** shall be towards implementation of Hard and Soft interventions with provision for setting up of Common Facility Centers (CFC) and cluster level activities, which will be released as per the project cost approvals, in suitable installments as grant amount', as provided in the Tripartite Agreement, read with the operational guidelines of SFURTI.

(b) The specific form of assistance as per the approved final action plan shall be communicated at the time of release of funds during the period of the programme from time to time.

(c) The amount sanctioned shall be released in suitable manner in installments according to the operational guidelines of the scheme as per the approved action plan and as decided from time to time by **Khadi and Village Industries Commission**.

(d) *The Implementing Agency shall maintain separate and dedicated bank account in their name with a nationalized bank in the locality of the cluster, jointly operated by their authorized signatory, Nodal Officer of **Khadi and Village Industries Commission**/Officer-in-charge/ Secretary / President of Implementing Agency and Cluster Development Executive, for utilization of the funds received from the Nodal Agency for implementation of the soft and hard interventions like setting up of CFC, civil works, procurement and installation of machinery and shall allow the auditors deputed by the **Khadi and Village Industries Commission** and/ or the representatives of the **Khadi and Village Industries Commission**/Ministry of MSME/A.G. to inspect and audit such accounts at any time. The Nodal Agency shall release to this account 90% of the project cost meant under Hard Interventions as grant amount in installments as per the guidelines approved by the Ministry on recommendation by TA and State Office, KVIC only if the Implementing Agency /Special Purpose Vehicle contributes 10% as its share for total hard intervention cost in lump sum into this joint account.*

(e) The Implementing Agency shall maintain separate records for recording the details of the assets acquired out of the **Khadi and Village Industries Commission** funds and the assets provided by the **Khadi and Village Industries Commission** both movable and immovable and shall sent periodic report of the same to the **Khadi**

and Village Industries Commission. All the assets acquired out of the Khadi and Village Industries Commission funds will be the property of the Khadi and Village Industries Commission and the Implementing Agency shall not create any charge or encumber the same and shall use the same only for the purpose for which it has been acquired

(f) The Implementing Agency shall furnish the utilization certificates from time to time in the prescribed form of GFR 12-A, Govt. of India and should be accompanied by audited statements of accounts indicating the expenditures incurred on various items pertaining to the grant received from the Khadi and Village Industries Commission from time to time.

(g) The Implementing Agency shall set up and update a website for the cluster and facilitate the web based Project Management System (PMS) by Khadi and Village Industries Commission.

### **3) Release of fund:**

- a) On obtaining final approval, a sanction order will be issued by NA and 1st installment for the Soft and Hard interventions will be released by NA in the dedicated bank account opened in the name of the IA/SPV. Whereas release of fund by NA to IAs for soft-intervention shall be need-based. The following schedule will be adopted for release of scheme funds for hard interventions:
- i. 1<sup>st</sup> installment of 50% of the Soft and hard interventions as advance on IA arranging land and registration of SPV;
  - ii. 2<sup>nd</sup> installment of another 50% on utilization of 2/3 of 1st instalment; and
- b) That in case of Khadi cluster; replacement of Charkhas and looms, common facility and product design intervention assistance will be provided in the form of kinds with firm order from the supplier along with 10% contribution of the Implementing Agency to the actual cost of the equipment/s (5% in case of North Eastern Region (NER), J&K and hilly states) at the time of purchase order to the authorised supplier. The remaining 90% payment (95% in case of North Eastern Region (NER), J&K and hilly states) will be made by KVIC after receiving confirmation of delivery of equipments/ machineries/ charkhas/looms at the destination.

- c) That in case of Village Industries, the common facility centre, product development and design intervention, machineries and equipments assistance will be provided in the form of kind and not in cash. The Implementing Agency should place confirm order with 10% advance of the actual cost of the machinery/equipments (5% in case of North Eastern Region (NER), J&K and hilly states) at the time of purchase order to the authorised supplier. The remaining 90% payment (95% in case of North Eastern Region (NER), J&K and hilly states) will be paid by the KVIC after receiving confirmation intimation of the machineries from the authorised supplier at the destination.
- d) That the other release of fund except machinery/equipment for common facility centre, charkha and looms replacement and machinery for product and design intervention are to be operated by (dedicated) joint account i.e. by the State Director of the KVIC or his authorised representatives, a representative of the Implementing Agency and CDE. The funds utilisation will be under the overall supervision of Implementing Agency in coordination with Cluster Development Executives.

**4) Other activities that need to be ensured by Implementing Agency through Special Purpose Vehicle with assistance of the Technical Agency are:**

- (a) Organizing awareness and exposure visit of artisans
- (b) Mandatory opening of Bank Account by artisans and beneficiaries under Jan Dhan Yojana
- (c) Providing Health insurance coverage for all the artisans under the cluster as applicable under KVIC rules (Janashree Bima Yojana & Rashtriya Swasthya Bima Yojana wherever applicable)
- (d) Enrolling the beneficiaries under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) which will offer a renewable one-year life cover of Rs.2 lakh to all savings bank account holders in the age group of 18-50 years, covering death due to any reason, for a premium of Rs.330 per annum.

(e) Enrolling the beneficiaries under the Pradhan Mantri Suraksha Bima Yojana (PMSBY) which will offer a renewable one-year accidental death-cum-disability cover of Rs.2 lakh for partial/permanent disability to all savings bank account holders in the age group of 18-70 years for a premium of Rs.12 per annum per subscriber.

(f) Issue of Aadhaar based Identity card to artisans mentioning the benefits, privileges, rights as well as their specific responsibilities along with necessary undertakings in regard to the implementation of the programme.

(g) Progressively enroll the beneficiaries under the Atal Pension Yojana (APY) which will focus on the unorganized sector and provide subscribers a fixed minimum pension of Rs.1,000, Rs.2,000, Rs.3,000, Rs.4,000 or Rs.5,000 per month, starting at the age of 60 years, depending on the contribution option exercised on entering at an age between 18 and 40 years and providing periodic training to artisans in the cluster.

(h) Self Help Group members may also be extended these general and miscellaneous supports as extended to the artisans under Cluster Programme.

## **5) Utilization of funds:**

(a) It is expressly agreed that the outlay sanctioned hereunder shall be utilized only for the purpose of the assignment and the funds shall not be diverted for any other industry, purpose, assignment or use.

(b) Implementing Agency shall channelize the funds as per the above said joint bank account specifically earmarked for the assignment (and not pool it in other finances).

(c) In the event of any misutilisation of funds (like diversion for any other purpose other for which it is granted, misappropriation etc.) and non achievement of targets fixed for the cluster, the Implementing Agency shall be bound to refund the entire amount released to it by the **Khadi and Village Industries Commission** along with interest and penal interest at the rates as may be decided by the **Khadi and Village Industries Commission**.

(d) The funds earmarked towards the cost of Implementing Agency shall be utilized for the development of cluster.

(e) The Implementing Agency will arrange for the credit requirements including working capital for activities within the cluster.

## **5) Monitoring mechanism;**

a) To ensure that the facilities and infrastructure created with grants under SFURTI are sustainably managed to the advantage of artisans for improved production and marketing, IA will constitute a Working Committee for each cluster comprising the following:

i. Chief functionary of the IA – Convener;

ii. Representative of a Nationalized bank operating in the area;

iii. 3 artisans nominated by the IA (including at least one woman) on annual rotation basis, re-nomination may not be allowed in five years;

iv. Representative of the NA; and

v. GM, DIC or his representative.

(b) Implementing Agency and the Cluster Development Executive shall work from time to time in coordination with the **Khadi and Village Industries Commission** and also under the directions from Working Committee set up under the scheme operational guidelines.

(c) The **Khadi and Village Industries Commission** and or Government of India, Ministry of MSME shall depute its representatives or officials to assess the progress of the programme from time to time.

(d) In the event of unsatisfactory progress of the programme, the **Khadi and Village Industries Commission** shall have the right to discontinue the programme. There upon the **Khadi and Village Industries Commission** shall be at liberty to entrust the said activity to any other person or agency to conduct and carry the same afresh or to continue the same further from where the activity was discontinued and for this purpose **Khadi and Village Industries Commission** shall be at liberty to utilize all data, reports and

technique collected and developed by the Implementing agency on the termination of the activity as aforesaid.

(e) That in case of abandonment or earlier termination of the project/ work without its completion, the total amount/advances paid to Implementing agency including the unutilized amount shall be returned by the Implementing Agency with interest on term deposit rates(at the rates prevailing in the Nationalized Banks) to **Khadi and Village Industries Commission**.

## **7) Progress Report**

Implementing Agency shall give progress report on all ongoing programme to **Khadi and Village Industries Commission**. This report shall cover (i) work done for the previous year (ii) future activities and strategies and (iii) details of financial expenditure incurred during the year under broad heads along with supporting documents.

## **8) End of programme report and certificates.**

At the end of programme Implementing Agency shall send (i) comprehensive report of the programme, outlining its achievements (ii) utilization certificate with relevant statements and enclosures for audit purposes, including a detailed statement of assets created.

## **9) Completion of the Project**

The project shall be deemed to have been successfully completed on submission of the final report by Implementing Agency and its acceptance by the Scheme Steering Committee at the Ministry level.

## **10) Operations & Maintenance (O&M) Of Assets**

(a) Implementing Agency shall ensure that the services of the facilities created under the Scheme are extended to the cluster in general, in addition to the member enterprises.

(b) Implementing Agency shall be responsible for O&M of assets created under the Scheme beyond the project duration. Implementing Agency shall ensure that the users of these facilities pay for the services rendered, for the maintenance of the assets.



(c) In case of dissolution of Implementing Agency/Special Purpose Vehicle within 10 years from the date of sanction of assistance by the Government under the Scheme, all the assets created with such assistance shall be vested with the KVIC.

### **11) Handing over assets at the end of programme period**

At the end of the programme, Implementing Agency shall prepare a comprehensive list of assets (movable and immovable) purchased/created and ensure that they are handed over to **Khadi and Village Industries Commission**, if so directed. Assets may also be handed over during period of programme depending upon the nature of the assets. Relevant copies of purchase or other documents, if any, should also be handed over by Implementing Agency to **Khadi and Village Industries Commission** at the time of transfer, if so directed.

### **12) Breach of terms and its rectification**

If in the opinion of **Khadi and Village Industries Commission** there is a major breach by Implementing Agency of the terms herein contained or for any reason Implementing Agency is not in a position to continue the assignment, **Khadi and Village Industries Commission** shall have the right to bring to the notice of Implementing Agency the breach of contract or the fact of its inability to successfully continue the assignment and upon the failure of Implementing Agency to rectify the breach and successfully continue the assignment within 45 days thereof, this agreement shall be terminated by **Khadi and Village Industries Commission** whereupon Implementing Agency shall be removed from the assignment forthwith and shall refund the entire amount released by the **Khadi and Village Industries Commission**.

### **13) No Liability to Khadi and Village Industries Commission**

There shall be no principal and agent relationship between **Khadi and Village Industries Commission** and Implementing Agency. The **Khadi and Village Industries Commission** shall not be held liable for acts of omissions or commissions of Implementing Agency resulting in claims and damages from third party against **Khadi and Village Industries Commission**.

The Implementing Agency shall at all times indemnify the **Khadi and Village Industries Commission** against any claims in respect of any damages of compensation payable in consequences of any accident or injury sustained by its (Implementing Agency) employee of the subcontractors or by any other third party resulting from or by any transportation/ conveyance or act or omissions conducted by or on behalf of the Implementing Agency. Similarly, the Implementing Agency, shall all times indemnify **Khadi and Village Industries Commission** against all claims / damages etc for any intellectual property rights (IPR) while providing its services under the project.

#### **14) Amendment to Agreement:**

Implementing Agency and **Khadi and Village Industries Commission** may make amendment to this Agreement, as per requirements, by mutual consent, in writing.

#### **15) Notification of change**

The Implementing Agency shall notify the **Khadi and Village Industries Commission** of any material change in their status, shareholding or that of any guarantor of the Implementing Agency, in particular, where such change would impact on performance of obligations of Implementing Agency under this agreement.

#### **16) Force Majeure:**

Neither of the parties shall be held responsible for non-fulfillment of their respective obligations under this agreement due to exigency of one or more force majeure events like floods, fire etc., provided on the occurrence of cessation of many events the effected, shall give one month notice within occurrence of such event.

#### **17) Resolution of dispute / Interpretation**

In case any dispute arise between the Implementing Agency and **Khadi and Village Industries Commission**, the same shall be settled mutually, and if any difference of opinion persist, the same shall be referred for arbitration to the Secretary, Ministry of MSME, Govt. of India, whose decision shall be final and binding on both parties.

## **18) Jurisdiction**

The terms & conditions of the agreement shall be interpreted in Indian laws and shall be subject to the jurisdiction of Courts at Mumbai, Maharashtra.

In witness where of the parties to this Agreement have hereunto signed their respective names and affixed their respective seals the date and the year first here in above written.

Signed, Sealed and delivered by

Shri.....

For and on behalf of the  
1st Party, in presence of Witness

- 1.
- 2.

Signed, Sealed and delivered by

Shri.....

For and on behalf of the  
2nd Party in the presence of witness

- 1.
- 2