



ज्ञारखण्ड सरकार
Govt. of Jharkhand

झारखण्ड राज्य खादी एवं ग्रामोद्योग बोर्ड
JHARKHAND STATE KHADI AND VILLAGE INDUSTRIES BOARD

(झारखण्ड सरकार का उपक्रम)
(Government of Jharkhand Undertaking)

पत्रांक / Ref. No.:

LETTER OF EMPANELMENT

दिनांक / Dated : 19/04/17

To,
Stambh
Sector, Jamshedpur
411002.934109/7759903439

Sub: Empanelment with the Board

The Jharkhand State Khadi and Gram Udyog Board, is charged with planning, promotion, organization and implementation of programs for the development of Khadi in rural areas. The Board (as defined hereinafter) endeavors to promote, *inter-alia*, local artisans, weavers, handicraftsmen, insect breeder, spinners, reellers, silk harvesters and wishes to provide employment to them in a large scale, and in an organized manner, with a wider objective of creating self-reliance amongst the economically weaker section and building up strong community spirit amongst them.

In this connection, we are pleased to offer you an empanelment with the Board, effective from the date of acceptance of this letter of empanelment ("LOE"), which shall not be later than [insert date].

Your relationship with the Board shall be subject to the Work Order and the terms and conditions attached to this LOE. If the same are acceptable to you, kindly sign the LOE as an acknowledgement of the acceptance of the terms and conditions of your empanelment and return a counterpart to us.

We look forward to working with you to build a successful business.

Thanking you,

Sincerely yours,

Jayswal Devi

Authorized Signatory
for Jharkhand State Khadi and Gram Udyog Board

I, Jayswal Devi, as a Vendor agree to accept the empanelment as a Vendor of the Board on the terms and conditions mentioned and referred to in this LOE and the enclosed annexure.

Jayswal Devi

Signature

Name

Date

TERMS AND CONDITIONS

1. DEFINITIONS AND INTERPRETATION

1.1. Unless the context otherwise requires, the following words and expressions hereunder shall have the following meaning:

"Applicable Law" means any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, permits, licenses, approvals, consents, authorisations, government approvals, directives, guidelines, requirements or other governmental restrictions, or any similar form of decision of, or determination by, or any interpretation, policy or administration, by any authority having jurisdiction over the matter in question, whether in effect as of the date of this LOE or thereafter.

"Board" means the Jharkhand State Khadi and Gram Udyog Board and shall include its executors, successors, administrators, and permitted assigns.

"Business Day" shall mean a day (other than a Saturday or a Sunday) on which scheduled commercial banks are generally open for business in Ranchi.

"Confidential Information" means all communications between the Board and the Vendor and all information and other material supplied to or received by the Vendor hereto from the Board which is either marked **"Confidential"** or is by its nature intended to be exclusively for the knowledge of the Vendor alone, and any information concerning the affairs, the business, customer details, business transactions, intellectual property rights or the financial arrangements of the Board or any affiliate of the Board or of any Person with whom the Board has a confidential relationship and shall include the terms of this LOE and/or the Work Order and all connected documents and/or writing.

"Default Cure Period" shall have the meaning as set forth in Clause 13.2.

"Invention" shall have the meaning as set forth in Clause 12.1.

"LOE" means this letter of empanelment entered by the Board with the Vendor.

"Parties" means collectively the Board and the Vendor, and the word **"Party"** shall mean any of them.

"Person" means any individual, sole proprietor, unincorporated association, unincorporated organization, body corporate, corporation, partnership, limited liability company, joint venture, Government authority or trust or any other entity or organization.

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"T&C" meansthe Terms and Conditions, which together with the LOEand other documents executed between the Vendor and the Board governing the relationship of the Board with the Board.

"Vendor" means the artisans, weavers, silk rearers , spinners, reelers, any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, self-help group, cooperative society, trust, union, association, government, non-governmental organization registered firm or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Laws, empaneled with the Board pursuant to this LOE.

"Work Order" meansthe Work Order containing the exact scope of work for theVendor.

- 1.2. Any term not defined in Clause 1.1, but defined elsewhere in the T&C shall have the same meaning throughout the LOE, unless the contrary is expressly stated or clearly appears from the context.
- 1.3. Words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate or unincorporate.
- 1.4. The headings to the Clauses are for convenience only and shall not affect the construction or interpretation of the LOE.
- 1.5. Reference to the term "*in writing*" includes any communication made by letter or fax or e-mail.
- 1.6. Reference to the words "*include*", "*including*" shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words.
- 1.7. Annexures and Schedules mentioned hereunder shall be deemed to be integral part of the LOE.
- 1.8. When any number of days is prescribed in this LOE or the Work Order or any other document in relation to this LOE or the Work Order, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding day that is a Business Day.
- 1.9. When any number in this LOE or the Work Order is described numerically together with the description in words, in case of any ambiguity, the description of the number in words shall have preference over the numeric digit representation.

Sanjay Dhir

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- 1.10. Any warranty, representation hereto that is expressed to be made, undertaken or given by the Vendor shall be deemed *mutatis mutandis* to be jointly and severally made, undertaken and given by the artisans, weavers, handicraftsman, insect breeder, spinners, reelers, silk harvesters, any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, self-help group, cooperative society, trust, union, association, government, non-governmental organization registered firm or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Laws, empaneled with the Board pursuant to this LOE.
- 1.11. Time is of importance in the performance of the respective obligations of the Parties. If any time period specified herein is extended, such extended time shall also be of importance.
- 1.12. References to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, belief or awareness of such person after examining all information and making all due diligence inquiries and investigations which would be expected or required from a person of ordinary prudence.

2. WORK ORDER

- 2.1 As a Vendor of the Board, you will be issued a Work Order. The Work Order shall describe the exact nature and scope of work. The Work Order may be amended from time to time. All production by the Vendor shall be done exclusively in accordance with the Work Order.
- 2.2 The Work Order shall mention the quantity, quality, time frame, design specification and rate of the product and the Vendor shall be bound by it.
- 2.3 In the event the final product is not as per the specifications of the Board, the Board shall reject the product and may terminate the LOE and/or the Work Order. In the event the Vendor affirms to rectify, the Board may, at its sole discretion agree to such request and provide further opportunity to the Vendor. It is clarified that the Board shall not be obligated to give further opportunity to the Vendor.

3. DESIGN OF THE PRODUCT

- 3.1 The design of the product is the essential and foremost part of empanelment of the Vendor and the Vendor is required to maintain the exact design as may be agreed or provided by the Board. The design of the product may be provided by the Board or the Vendor may, upon mutual agreement, provide the design to the Board. In the event the design is provided by the Vendor, the Vendor shall be entitled to be paid adequately for its design. All such payments shall be mutually agreed and approved with the Board.

4. RAW MATERIAL

- 4.1. Upon payment of 100 (one hundred) % advance for the cost of the raw material, the Board may provide the raw material to the Vendor.
- 4.2. In the event the Vendor purchases raw materials on its own, the Board may pay the Vendor for the raw material utilised by it in making the final product as per the Work Order.

5. SECURITY DEPOSIT

- 5.1. The Vendor shall pay to the Board a sum of Rs. (Rupees only) as interest free refundable security deposit on the date of execution of the Work Order¹ ("Security Deposit").
- 5.2. The entire amount of Security Deposit shall be refunded by the Board to the Vendor on completion of each of the work as specified under the Work Order or on earlier termination of the LOE and/or the Work Order, whichever is earlier.
- 5.3. The Vendor agrees that in the event the Board decides that the Vendor has not fulfilled each of its roles and responsibility as per the Work Order, then the Board has the right to forfeit the Security Deposit. It is however clarified that the Board shall act judiciously before forfeiting the Security Deposit and shall give the Vendor a chance to rectify its discrepancies.

6. PAYMENTS AND WITHHOLDING TAX REQUIREMENT

All payments made to the Vendor by the Board for the services rendered to the Board, shall be made by the Board within [15]² days of issues of invoice and shall be subject to the withholding of taxes as required under Applicable Laws. All payments made by the Board shall be done exclusively to the bank account of the Vendor. The account details of the Vendor are as under:

Name of the Bank: ALLAHABAD BANK
Name of the Branch: MAIN ROAD (ALBERT EKKA CHOWK)
Account Name: STAMBH
Account Number: 20991785375
IFSC Code:

7. INSPECTION

¹Board to confirm.

²Board to confirm.

The Vendor shall permit the authorised person of the Board, with prior written notice of at least [insert days] days to the Vendor in writing, to inspect, view and examine the work progress.

8. TRAINING

During the subsistence of this LOE, the Board, on its own or upon request of the Vendor, provide training programme to the Vendor. Such training programmes shall be free of cost and shall be for the benefit of the Vendor.

9. REPRESENTATION, RIGHTS AND COVENANTS OF THE VENDOR

The Vendor acknowledges that a breach of any of the covenant, representation or undertaking contained in this LOE will result irreparable harm and damage to the Board. Accordingly, the Vendor expressly agrees that, in the event of a breach or threat of breach of any provision of this Clause 9 by the Vendor, their remedies at law will be inadequate and in such an event, the Board shall be entitled to an injunction or other similar relief to prevent breach of this Clause 9 and to enforce specifically the provisions of this Clause 9 in addition to money damage sustained resulting from breach or threatened breach of this Clause 9 and in addition to any other remedy to which they may be entitled in law.

9.1. The Vendor hereby agrees, undertakes and covenants to:

- 9.1.1. ensure that any of its artisan is not involved in a case where its behaviour or action is contrary to the social norms in regards to good moral, honesty and justice;
- 9.1.2. maintain quality of the produce;
- 9.1.3. comply with the design approved by the Board;
- 9.1.4. keep all the technical know-how given to it by the Board as Confidential;
- 9.1.5. ensure timely delivery of the products;
- 9.1.6. keep the raw material and/or any other equipment provided to it by the Board in good and running condition (subject to normal wear and tear);
- 9.1.7. strictly abide by and comply with all directives, notifications, laws, rules and regulations of all government, semi government, local and public bodies and authorities applicable in so far as they are required to be observed and complied with by the Board;
- 9.1.8. immediately notify the Board of receipt of any observance or notice, from any authority, government, semi government or otherwise, whomsoever, in respect of the Work Order or the raw materials;

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9.1.9. **deliver the produce in timely manner** as may be required or intimated by the Board;

9.1.10. **manufacture the product in the state of Jharkhand;**

9.1.11. **ensure that artisans are the inhabitant of the state of Jharkhand;**

9.1.12. **ensure that there is no mixing of the yarn; and**

9.1.13. upon conclusion of the Work Order, surrender any of the equipment belonging to the Board to the Board in good condition and working order, except depreciation and ordinary wear and tear.

10. INDEMNIFICATION

The Vendor shall indemnify the Board against, and hold the Board harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs, arising out of, connected with, or resulting from or with any act or action of the Vendor which may adversely affect the Board or the produce and or any of the obligations under this LOE and/or the Work Order.

11. CONFIDENTIALITY

11.1. Confidentiality Obligation

Subject to Clause 12.1.1 below, each Party agrees with the others that it will keep confidential and shall not disclose to any third Person any Confidential Information, which it holds or receives.

11.1.1. Exceptions

A Party may disclose Confidential Information:

- to the extent to which it is required to be disclosed pursuant to Applicable Law, provided that if any disclosure is required to be made to appropriate regulatory authorities or by valid legal process, the disclosing Party must notify the other Party and a copy of every public announcement must be given to the other Party before any public disclosure is made;
- to the extent to which it is specifically permitted by the other Party in writing;
- to the extent that the Confidential Information is publicly available and not by way of a breach of an obligation to keep such information confidential; and

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(d) to its affiliates, employees, investment managers or advisors, its current or prospective investors, lenders, accountants and attorneys, and professional advisors, but only to the extent necessary and subject to such aforementioned Persons being subject to reasonable confidentiality obligations.

12. RIGHT TO INVENTIONS

- 12.1. For the purpose of this Clause, the term '**Invention**' means any discovery, invention, original work of authorship, improvement, modification, adaptation, process, formulae or technique, whether patentable or not and including works which can be protected under the applicable copyright laws.
- 12.2. The Vendor agrees that the Vendor shall promptly make full written disclosure of all Inventions which the Vendor may solely or jointly conceive or develop or which arises out of, or is in any way connected with his association with the Board. Such Invention and all intellectual property rights therein shall be and remain the sole and exclusive property of the Board. The Vendor shall not during or at any time after the completion, expiry or termination of the LOE in any way question or dispute the ownership of the Board over such Invention or any such rights relating thereto.
- 12.3. Both during and after the expiration of the LOE with the Board, the Vendor shall assist the Board in every possible and proper way, without additional compensation other than reimbursement of reasonably incurred expenses, to obtain / register the intellectual property rights as aforesaid in favour of the Board, in any and all countries selected by the Board.
- 12.4. The Vendor agrees that at the time of termination of the LOE, the Vendor shall return to the Board and will not retain / keep in his / her possession, recreate or deliver to anyone else, any and all devices, records, data notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, other documents or any other material relating to the Inventions. All such devices, records, data notes, reports etc. as aforesaid relating to Inventions shall also form part of Confidential Information.

13. TERM AND TERMINATION

- 13.1. The term of this LOE is subject to the Work Order and shall remain in effect till the LOE is effective.

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13.2. In the event where the Vendor fails to adhere to the terms of this LOE and/or any part of the Work Order, for a period of more than [1]³ (one) month, or any extended period at the option of the Board which extended period will be intimated to the Vendor in writing. Provided however the Board shall give the Vendor notice of such default, which the Vendor shall rectify within [insert days] days of receiving the notice (the "**Default Cure Period**") and upon failure of the Vendor to rectify such default during the Default Cure Period, the Board can terminate this LOE and the Work Order by giving a further 15 (Fifteen) days termination notice to the Vendor.

13.3. At any time during the subsistence of this LOE or the Work Order, the Board shall be entitled to terminate this LOE without assigning any reason thereof to the Vendor, by giving 3 (Three) months written notice to the Vendor.

14. GOVERNING LAW

This LOE and/or the Work Order shall be deemed to be made in and in all respects shall be interpreted, construed and governed by and in accordance with the laws of India, and the courts of Ranchi, Jharkhand shall have exclusively jurisdiction in matters arising out of or in connection with this LOE.

15. FORCE MAJEURE

Neither Party shall be responsible for delay or default in the performance of their obligations due to contingencies beyond their control, such as fire, flood, civil commotion, earthquake, war or strikes. If either Party is prevented by such an event, from performing its obligations under this LOE or the Work Order, such party shall promptly notify the other Party of that effect.

Notwithstanding this clause, the Parties shall ensure that they shall comply with the terms of this LOE and/or the Work Order to the extent possible.

In the event of such contingency continuing to exist for a continuous period of [insert number of months] month, the Parties shall decide the course of action, which may include temporary suspension or termination of this LOE.

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16. NOTICES

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Each notice, demand or other communication given or made under this LOE and/or the Work Order shall be in writing and delivered or sent to the relevant Party at the postal address or email address set out below (or such other postal address or email address as the addressee has by five (5) business days' prior written notice specified). Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party, (b) if sent by post within the same country, on the fifth (5th) business day following posting; and (c) if delivered by email, then when sent by the sender from its email id. If any notice, instruction, demand or other communication is delivered or deemed to be delivered under this LOE and/or the Work Order after 5 p.m. of any business day to a Party, it shall be deemed to have been delivered on the next business day.

The initial address, email and telephone numbers for the Parties for the purposes of the LOE are:

In case of notices to the Board:

Mr. [•]
Address: [•]
Phone No. : [•]
Email : [•]

In case of the Vendor:

Mr. [•]
Address: [•]
Phone No. : [•]
Email : [•]

17. DISPUTE SETTLEMENT

- 17.1. Where any dispute or controversy arises in relation to the LOE and/or the Work Order, it shall be settled by arbitration, in accordance with the Arbitration and Conciliation Act, 1996, as then existing, to be heard and determined by a sole arbitrator, appointed by the Board. The decision of the arbitrator shall be final, conclusive and binding on the Parties.
- 17.2. All arbitration proceedings will be conducted in English, at such place as the Board may decide. Unless otherwise agreed in writing between the Board and the Vendor, the arbitration shall be conducted at Ranchi.

18. SEVERABILITY

Each section of this LOE is severable. If any provision is held unenforceable by a court of competent jurisdiction, such ruling shall not impair any other provision that remains intelligible and all other provisions shall continue in effect.

19. COSTS

Each Party shall bear its own costs (including legal costs) incurred in relation to this LOE and/or the Work Order.

20. AMENDMENT

This LOE and/or the Work Order may not be modified, amended, supplemented, canceled or discharged and no waiver hereunder may be granted, except by written instrument executed by the Parties.

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