

Memorandum of Understanding

This Memorandum of Understanding (MOU) has been entered on _____ day of _____ 2007.

between

Name of Implementing Agency _____

AND

Name of Designer _____

In consideration for the payment by the Implementing Agency, Designer undertakes to facilitate the Implementing Agency for the following:

Objectives:

- To develop a range of exportable handloom products for overseas markets based on buyer requirements.
- To train weavers and technical staff of the Implementing Agency to convert paper designs into fabrics and end products.
- To coordinate with the marketing consultant and the Implementing Agency for establishing marketing linkage with the importers/buying agents/overseas buyers for marketing of the products developed under the project from the stage of designs into products.
- To assist the Implementing Agency in modifying the designs, colour combination and textures of the fabrics and product samples, if suggested by buyer.

Project Schedule:

- Designer to make atleast 6 days visit to the project site in a month for training and to monitor progress of the project.
- To develop 75 paper designs in two colour ways for the entire project.
- The product development will be a continuous process for two years duration.

- The following will be the schedule of two years (24 months) that the designer and the Implementing Agency have to follow for design development, product development, training of weavers, modification of looms, participation in international fairs etc. The two-year period starts from the date of release of funds to the Implementing Agency. The date of release of funds to the Implementing Agency is denoted as D1.
 - i) Development of first lot of 10 designs in two colourways by the designer- **D1+first two months.**
 - ii) Training of weavers and modification of looms- **to be completed by D1+3rd month.**
 - iii) Development of second lot of 10 designs in 2 colourways by the designer and conversion of first lot of 10 designs into fabric samples by the Implementing Agency- **D1+4th to 6th month.**
 - iv) Development of third lot of 10 designs in 2 colourways by the designer and conversion of second lot of 10 designs into fabric samples by the Implementing Agency- **D1+7th to 9th month.**
 - v) Development of fourth lot of 10 designs in 2 colourways by the designer and conversion of third lot of 10 designs into fabric samples by the Implementing Agency- **D1+10th to 12th month.**
 - vi) Development of fifth lot of 10 designs in 2 colourways by the designer and conversion of fourth lot of 10 designs into fabric samples by the Implementing Agency- **D1+13th to 15th month.**
 - vii) Development of sixth lot of 10 designs in 2 colourways by the designer and conversion of fifth lot of 10 designs into fabric samples by the Implementing Agency- **D1+16th to 18th month.**
 - viii) Development of seventh lot of 10 designs in 2 colourways by the designer and conversion of sixth lot of 10 designs into fabric samples by the Implementing Agency- **D1+19th and 20th month.**
 - ix) Development of eighth lot of 10 designs in 2 colourways by the designer and conversion of seventh lot of 10 designs into fabric samples by the Implementing Agency- **D1+21st and 22nd month.**
 - x) Conversion of eighth lot of 5 designs into fabric samples by the Implementing Agency- **D1+23rd and 24th month.**

- The above mentioned period for each category/activities is the maximum time limit that should be strictly followed by the Implementing Agency as well as the designer in completion of the project. The Implementing Agency and the designer may complete the project by or before the stipulated period of 24th months.
- During the above period of 2 years, the Implementing agency will also participate in a few fairs. The designer will assist the Implementing Agency in the fairs for giving his/her professional help in dealing with foreign buyers/buying agents/buying houses etc. and coordinate with the Marketing Consultant.
- The designer and the Implementing Agency will follow the above time frame strictly.

Design Development

- Selecting the right yarn keeping the design in mind.
- Work on the
 - Combination of weaves
 - Motifs and patterns
 - Colour ways
 - Value addition
 - Design concepts
 - Colour references in the form of pantone number/thread card number to be provided alongwith the design, if required.
 - Prototype (sample) development

Product Development:

- The product for the Export Project should be chosen on the basis of products on demand in the overseas markets and/or as suggested by the buyer and the capability of the Implementing Agency to produce those products.
- The Designer shall identify the products before commencement of the project by site visit of the Implementing Agency.
- The Designer will provide only those ranges of products, which are acceptable to the targeted market/buyer and shall be responsible for the success of those products.

Project Duration:

- The project duration will be of two years.
- The designer will be associated with the project right from design/product development stage to participation in international fairs and exhibitions.

Date of signing of the MOU

The MOU will be signed by the Designer and the Implementing Agency after receipt of a letter from the Office of the Development Commissioner for Handlooms that the Export Project has been sanctioned. The Implementing Agency will send the signed MOU to the Office of the Development Commissioner for Handlooms alongwith pre-receipt for release of funds for the Export Project.

Designer Fee:

- The Designer will be paid Rs. 5.00 lakh by the Implementing Agency for the entire project duration of two years.
- The above Rs. 5.00 lakh will be paid to the Designer in instalments as under:
 - First instalment of Rs. 25,000/- will be paid to the designer by the Implementing Agency immediately after release of funds to the Implementing Agency by the Office of the Development Commissioner for Handlooms.
 - Second instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of first lot of 10 designs into fabrics & final product and he/she submits second lot of 10 designs/concepts in two colourways to the Implementing Agency.
 - Third instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of second lot of 10 designs into fabrics & final product and he/she submits third lot of 10 designs/concepts in two colourways to the Implementing Agency.
 - Fourth instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of third lot of 10 designs into fabrics & final product and he/she submits fourth lot of 10 designs/concepts in two colourways to the Implementing Agency.

- Fifth instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of fourth lot of 10 designs into fabrics & final product and he/she submits fifth lot of 10 designs/concepts in two colourways to the Implementing Agency.
 - Sixth instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of fifth lot of 10 designs into fabrics & final product and he/she submits sixth lot of 10 designs/concepts in two colourways to the Implementing Agency.
 - Seventh instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of sixth lot of 10 designs into fabrics & final product and he/she submits seventh lot of 10 designs/concepts in two colourways to the Implementing Agency.
 - Eighth instalment of Rs. 50,000/- will be paid when the designer assists the Implementing Agency in conversion of seventh lot of 10 designs into fabrics & final product and he/she submits eighth lot of 5 designs/concepts in two colourways to the Implementing Agency.
 - The designer will also be paid Rs. 30,000/- for each international fair for assisting the Implementing Agency in their participation in the fair. However, the total payment for this component will be restricted to Rs. 1.25 lakh.
- The above sum of Rs. 5.00 lakh will include the Designer's fee, lodging & boarding, travel cost, development of paper designs, documentation of the paper designs, guidance to the Implementing Agency, its weavers and technical staff for conversion of paper designs into fabric samples and finally into end products, visiting the site of the Implementing Agency, visit to the office of the D.C.Handlooms for review meetings, assisting the Implementing Agency in participation in international fairs etc.

Ownership:

- The Office of the Development Commissioner for Handlooms shall be free to use all the paper designs, product samples etc. developed under the project under the auspices of this MOU for promotion of handloom sector. The Designer shall not under any circumstances be entitled to sell, permitted to use or otherwise transfer the designs.

- The Designer will sign an undertaking with the Implementing Agency that he/she will not sell the same designs to any other agency/Institution/Organisation.

Termination:

- Either Implementing Agency or the Designer as the case may be shall be entitled to terminate this MOU for reason of default of the terms and conditions of this MOU with the prior approval of the office of Development Commissioner for Handlooms.
- On such default, Implementing Agency or the designer as the case may be shall issue a notice of termination to the other party and seek prior approval of Office of the Development Commissioner for Handlooms for termination. However, if Implementing Agency is unable to follow the time schedule, Implementing Agency would not be entitled to terminate this agreement. Similarly, if the designer is unable to follow the time schedule, the designer would not be entitled to terminate this agreement. Implementing Agency or the designer will seek prior approval of Development Commissioner for Handlooms before issuing the notice of termination of MOU.

Redressal and disputes

- Any disputes arising in relation to this MOU or any breach or alleged breach thereof shall be settled by the D.C. Handlooms through a personal hearing with both the parties. The decision of the DC Handlooms will be final and binding on both the parties.

In witness whereof, Implementing Agency and Designer have agreed to enter into this MOU on _____.

Implementing Agency Representative

Designer

Witness

Witness