

Preamble:

The office of Development Commissioner for Handlooms (DCHL), Ministry of Textiles has come out with a "Handloom Mark Scheme" (hereinafter referred to as "the scheme") which is aimed at providing a common identity to the diverse handloom products of the country for the better realization of the price. The scheme also aims to assure the buyer about the genuineness of the origin of handloom product being purchased. Textiles Committee, Ministry of Textiles, Government of India has been engaged as the Implementing Agency (IA) for the aforesaid Scheme. By opting to become a member of the Scheme, the user will not only be able to procure a better price realization, but will also be promoting a social cause as most of these products are being prepared by the economically weaker sections of the society.

THIS AGREEMENT IS made at _____ on this _____ day of _____ between THE TEXTILES COMMITTEE, a Statutory Body under the Ministry of Textiles, Government of India having its Head Office at P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai – 400 025 hereinafter referred to as "the Committee", which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors, assignees or representatives of the One Part and M/S. _____ having its registered office at _____ hereinafter referred to as "the Authorised User" which expression shall unless it be repugnant to the context or meaning thereof include its successors, assignees, representatives or partners as the context may admit of the Other Part.

PART-A**WHEREAS:**

1. Development Commissioner for Handlooms (DCHL) *has obtained the* Trade Mark of Handloom Mark under Trade Marks Act, 1999 with description given in the schedule-I (hereunder hereinafter referred to as "Mark"). The Mark is in the form of *printed _____ label*, which can be used by affixing the same either by stitching or by means of tag pin on all kinds of products made from fabrics woven on handloom.
2. **Scope:**
 - a. The scheme covers all handloom fabrics and products made thereof.
 - b. The scheme will be operational throughout the country. Individual handloom weavers, Master weavers, Primary handloom weavers' Co-operative societies,

Apex Societies, State Handloom Corporations, Retailers, Exporters *and Others* (*Self Help Group, Consortia, Producers Company, Joint Liability Group, Handloom Weavers Group etc.*) are entitled to participate in the scheme and avail benefits thereof. (Hereinafter referred to as "the applicant")

- c. Joining the scheme is purely on voluntary basis.
3. Committee have given wide publicity of their programmes all over India through print and electronic media as well as through letters addressed to the potential applicants (for the promotion of the scheme).
4. In response to the said publicity, the User approached the Committee for its assistance in joining the Scheme and filed application form (duly filled in all the columns and duly signed by his Authorised representative) with the Committee.
5. The user has given option of handloom products from his manufacturing range, to be traded under the Scheme. These declared products mentioned in the application form would be entitled to be identified as Handloom Mark products.
6. Upon receiving the aforesaid application, the Committee scrutinized the same as per the procedure laid down in the regulations of the Scheme.
7. Being satisfied, the Committee invited the User vide letter No. _____ Dated _____ requesting them to submit a D.D./P.O. of Rs. _____ (_____) towards fees for number of labels, entitled thereof. The letter is placed at **Annexure-I**.
8. The Committee has decided to enter into a Contract with the Users for enabling them to avail the benefits under the Scheme and allotted one time Registration No. _____.
9. Through General Power of Attorney given by the DCHL, Textiles Committee being Implementing Agency (IA) has decided to license the use of the said "Mark" to the registered users by way of selling the labels at a price of Rs. 0.60 each or decided from time to time. The use of "Handloom mark" on the handloom products will ensure to the user/consumer the originality of handloom products thus providing a collective identity.
10. The parties hereto now agree to enter into a Contract on the terms and conditions mutually agreed between the parties and as set out herein below:

PART-B

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BETWEEN THE PARTIES AS UNDER: -

- a. The "Handloom mark" is the property of DCHL and is the sole owner of the said property. The User, therefore, has no right or claim over the "Mark" and cannot permit any other person or third party to use the same without the prior permission of DCHL. He/she/they has/have been granted the permission only to use the "Mark" on his/her/their handloom products provided that the originality of the said products is established under the scheme.
- b. The User shall abide by the terms and conditions put forward by "the Committee" in relation to use of "Handloom mark" and "the Committee" shall intimate amendments, if any, made therein "Handloom mark" design/scheme to the user.
- c. It shall be mandatory on the part of User to attach *HLM labels on products made of Handloom only* giving assurance that the products traded under the Scheme are wholly manufactured on Handloom.
- d. The User shall not use any other mark resembling the "Handloom mark" which has the effect of causing confusion to the user/consumer. He has no right to unauthorisedly use or permit the use of "Handloom mark" or duplicate the "Handloom mark". If it comes to his knowledge, wrongful usage or infringement of "Handloom mark" he shall immediately give information to Office of the "Textiles Committee" for taking necessary action.
- e. The User shall indemnify "the Committee" against the claims of Third Party caused by the fault of the said User. The User shall preserve the "Handloom mark" labels in safe custody and give account to "the Committee", as and when demanded of the number of labels already used and the balance left with him in order to prevent wrongful usage of the same by unauthorised person. Any loss or theft of labels should immediately be brought to the notice of the Committee and simultaneously a police complaint be lodged to prevent and check the un-authorized use of lost/stolen labels.
- f. The Committee shall not be responsible or liable for the claims of third party arising on account of misuse of the Mark or wrongful usage of the Mark by the User.
- g. The User will not have any objections/reservation for allowing the officials of "the Committee" to enter his/her/their premises, *do the on-site verification*, inspect the books of accounts, registers, records or other documents and do periodic surveillance audits. Rather he/she/they will extend full support and co-operation to the team of officials for discharging their duties.
- h. Except in the case of deliberate negligence on the part of the Committee, for which the Committee hereby Indemnifies the User, the Committee shall not be liable for any loss or

damage sustained by the User due to the act of omission whatsoever and howsoever for itself, during the performance of its implementation proceeds.

- i. Both the parties shall bear with the force-majeure which could not be reasonably foreseen

PART-C

Penalty measures:

The User falsifying and falsely applying Handloom Mark label or commits breach of the terms and conditions of this agreement, shall, unless he/she/they proves that he/she/they acted, without intent to defraud, be punishable as per the penalty clauses of the Scheme as under:

- i. Forthwith revoke the permission granted under this agreement without notice
- ii. Cancel the registration
- iii. Stop further supplies of labels
- iv. Issue notice to the User to surrender balance of labels left with him/her/them immediately
- v. Suitably proceed against the User for damages or other relief as deemed fit.
- vi. In addition to above the User will be punishable under the clauses of Chapter XII of The Trade Marks Act, 1999 and Chapter XIII of the Copyright Act, 1957.

PART-D**Complaint & Appeal procedure:**

In case of any dispute or differences arising under this agreement the User can complain and appeal to the competent authority as listed below:

First level: During and post on-site verification activities, estimation of quantity of labels the User can lodge a complaint with the Joint Director of the Committee of respective zone

Second Level: In case the User does not agree with the decision of the Joint Director, he/she/they can appeal to the Director (TQM) at H.Q. Mumbai

Third Level: If the matter is not resolved, the User can appeal to the Secretary of the Committee whose decision shall be final and binding on the User.

Arbitration: Any disputes or differences under this agreement shall be resolved mutually between the parties failing which it shall be referred to the DCHL as the sole arbitrator whose decision shall be final and binding on both the parties.

In Witness Whereof, we set our hands to this writing on date

Signed and delivered by the within named)

.....)

Authorized Representative of the Textiles)

Committee, in the presence of:)

1.

2.

Signed and delivered by the within named)

.....)

Authorized Representative of the User)

in the presence of:)

1.

2.