

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is made on this..... day of..... by and between, a, a company incorporated under the Companies Act, 1956, having its Corporate and Registered Office at 15N,, hereinafter referred to as "DEALER/SELLER" (which expression shall unless excluded by or repugnant to the context or meaning thereof, be deemed to include their successors in business, assigns, executors and administrators) of the one part,

AND

M/s. being a Sole Proprietorship firm/Partnership firm/Private/Public limited company/Co-operative Society having its principal place of business/ Registered office at _____ hereinafter referred to as the „MANUFACTURER" (which expression shall unless excluded by or repugnant to the context or meaning thereof, shall be deemed to include their successors in business, assigns, executors and administrators) of the second part.

WHEREAS the Dealer is engaged inter-alia in the business of commercial distribution and marketing of Electronics and Solar Products (hereinafter referred to as Product/Goods).

AND WHEREAS the Manufacturer is engaged in the business of manufacturing and trading in Electronics and Solar Input Products and is desirous of being appointed by the Corporation for selling Electronics and Solar products and the Corporation agrees to appoint M/s. _____ as its dealer for _____ Village /Mandal /Taluk (Tehsil)/ District /State (hereinafter referred to as „Territory") on such terms and conditions as are contained herein.

Both the RECEIVER and the COMPANY may hereinafter be referred to singularly as "Party" and collectively as "Parties".

NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSETH and in consideration of the mutual promises and covenants hereinafter contained, it is hereby agreed by and between the parties as follows:-

1. DEFINATION

For the purposes of this Memorandum of Understanding, the following terms shall have the following meanings unless the context specifically requires, otherwise "MOU" shall mean this Agreement.

“Assign” shall mean absolute transfer of interest and rights to a third party on which the assignor shall have no control.

“Competing Products” shall mean any products in the same class as the Products and/or having similar or identical nature and kind.

“Outsourced Company” shall mean business to Manufacture and provide the service if needs.

“Receiver” shall mean Dealers/ Societies/ Sanghas/Firms/Companies and others appointed under this written MOU by the Corporation.

“Effective Date” means the date on which this MOU enters into force pursuant to its provisions.

“Label” shall mean the Trademark, Trade Name, Copyright or any Distinctive Signs or for that matter any intellectual property of Corporation or other Companies with which the Corporation has trade/business agreements for production, supply, marketing arrangements as selected by it for the Products.

“Month” shall mean a Calendar month.

“Non-Exclusive” shall means that the party granting the right shall be free to grant the same right to any other party within the relevant territory.

“Persons” shall include Corporations, Firms, Company either Private/Public Co-operative Society/ Sangh and persons.

“Products”/“Goods” shall mean the Electronics and Solar products distributed and marketed by Company.

“Territory” shall mean area assigned for dealership. “In writing” and “Written” shall include printing, lithography and other modes of representing or reproducing words in visible form.

“Consuming Year” denotes the calendar year 2024.

2. MUTUAL INDEPENDENCE OF THE PARTIES

- a. The Parties acknowledge that they are independent of each other. No relation of subordination exists or shall ever exist between them at any time during the performance of this MOU. Thus, nothing contained herein shall be construed as conferring upon the Outsourced Company, the capacity of company or of legal representative of the receiver side. Accordingly, the Outsourced company shall under no circumstances be entitled to enter into on behalf of the Receivers any commitments, express or implied, binding on the Receivers without the latter’s written consent. Nothing in this MOU shall constitute or be deemed to constitute a partnership between the parties hereto and the Outsourced Company shall have no authority or power to bind the Receivers to contract in the name or create a liability against the Corporation in any way or for any purpose.
- b. The Receiver and the Outsourced Companies agree that all prior understandings relating to all or part of the Outsourcer of the Products are terminated and superseded by this MOU.

3. ENGAGEMENT

The Receiver hereby grants and entrusts to the Outsourced Company, who agrees and accepts the non-exclusive sale of the products/goods of the Corporation for

_____ Village/ Mandal / Taluk (Tehsil)/ District/ State along with outlets/sale points as per Annexure-I on such terms and conditions as are contained herein.

4. PRODUCTS/GOODS

1. This MOU shall be in respect of Electronics and Solar products, as marketed and supplied by the MANUFACTURER.
2. The Dealer/Seller shall not sell any product which has expired its validity period as mentioned in the label. Any attempt to do so would lead to initiation of legal action against the Dealer/Seller and the Manufacturer shall be responsible for all consequential claims/losses as per prevailing kind.
3. The Manufacturer shall undertake to sell the products/goods of the Corporation at all times in the original packing with the original labels affixed and not to tamper with the packing or seal/tag facilitating adulteration, pilferage or admixture to the material supplied by the Corporation.
4. The Manufacturer shall indemnify the Dealer against any claims, losses and other liabilities that may arise, consequent to any violation of the above terms and save the Dealer/Seller from any costs, claims and expenses arising thereby.

5. SELLING PRICE

- a. The Manufacturer shall sell the products/goods purchased from the dealer, at a price which will not be more than the Maximum Retail Price (MRP) as specified on the packet and or informed in writing from time to time by the Corporation or under any other regulation or order of the State or Central Governments.
- b. The Dealer shall purchase the products/goods from the Manufacturer at the prices indicated in the Dealer's price list from time to time. Such prices will be subject to periodic change and will be applicable at the time of delivery and or on the Invoice/Bill/Debit Memo etc. at the discretion and decision of the Corporation.
- c. The Manufacturer shall have the right to modify the prices at any time. The parties agree that the Manufacturer will be the responsible for any loss/damage caused due to revision in prices by the manufacturer on account of fluctuation in the cost of production/transportation cost/excise duties and other levies as well as other factors influencing the cost of production.

6. TERMINATION

- a. This MOU shall come into effect and/or be operative from _____ and shall be effective for six(6) months or Seed License validity period from the said date, whichever is earlier. This MOU shall be terminable on 15 (fifteen) days written Notice on either side, provided, however, the dealer/seller reserves the right to terminate this agreement forthwith without Notice in the event of the Manufacturer committing a breach of any of the terms and conditions. Without prejudice to any other remedy available to the dealer, such termination shall not entitle the manufacturer to claim any compensation or payment of any kind from the dealer.
- b. This MOU shall automatically terminate if either the Manufacturer files a petition of bankruptcy or goes into liquidation, or suffers a receiver liquidator or administrator to be appointed over any or all of its assets in compliance with applicable laws, rules and regulations, in which case termination shall become effective as of the date of that event.
- c. On the effective date of termination hereof, the manufacturer shall send to the dealer an exact and updated list of its remaining stocks together with a statement of sales operation in progress. The dealer may at its discretion within 15(fifteen) days after the receipt thereof have a qualitative and quantitative stock taking carried out and communicate to the company its observations and reservations, if any. The dealer shall then at its option, buy back from the manufacturer its stock of Products at the purchase price actually paid thereof by the Outsourced Agency and in that case only the loading and transportation charges for the bought back products from the Manufacturers warehouse to the destination point of the dealer as may be specified by it shall be borne by the Manufacturer.
- d. Within 10(ten) days of the effective date of termination hereof, the Manufacturer shall pay/reimburse to the Dealer, all dues outstanding against it as on the date of termination.
- e. The termination or expiration of this MOU, shall not release the Manufacturer from its obligation and liabilities of payments and all such matters of business due in favour of the Corporation accrued prior to the date of termination or expiration of this MOU and all the provisions governing such obligations shall survive termination of this MOU.

7. DAMAGE TO PRODUCTS/GOODS

In case the Products/goods get damaged in transit for deliveries to seller destinations, the dealer will inform the manufacturer of such damage by a letter through registered post with acknowledgement due, to the Regional/RLD Office of the Manufacturer at his own cost within 24 hrs. of receipt of the Products at his end or by any other quickest mode of written communication. After the intimation If there is any

delay of concerning the same, the manufacturer will be the liable to claim for any loss or damage of the consignment.

8. SALES PROMOTION

i. Dealer shall engage himself in active selling, including active participation in local/regional agricultural fairs, exhibitions and in general contribute to the best of his ability to promote sales of the their products/goods.

ii. That the Manufacturer shall ensure that no misrepresentation is made by himself/themselves or his/their agents/employees with regard to the nature, quality and the method of use and/ or the manner and time of usage of the products/goods to any party concerned or the purchasers of the products and only that information is given as is provided by the dealers in writing or is printed on the packaging of the products.

8. LEGAL REQUIREMENTS

The Manufacturer undertakes to comply with all the statutory provisions including all Laws, By-laws, Regulations, Ordinance or/and directives prescribed by the Central and State Government departments and agencies pertaining to the Products marketing. The Standards of Weights and Measures Act, 1976; Circulars as amended from time to time, their rules, ordinance, amendments if any from time to time thereof and to ensure the compliance with all the provisions relating to license, fees, cess, storage facilities, its records, submission of returns & reports, inspection by authorized officials, prices, quality and packages and all or any other directives/laws/regulations and Government imposed price restrictions if any that may be brought into force from time to time. Non-compliance of this clause or any other clause by the manufacturer shall render this MOU terminated forthwith. This decision of the Dealer/seller as to whether such non-compliance has been committed or not, shall be final and binding and shall not be open to question. Moreover the Manufacturer will indemnify the dealer against any claims, losses and other liabilities that may arise consequent to any violation of the above statutory dealer and save the dealer from any costs, claims and expenses arising thereby.

9. SECRECY AND CONFIDENTIALITY

The provisions of this MOU and dealings hereunder including transfer of any proprietary information by the dealer of the confidential nature to the manufacturer shall not be disclosed to the third parties.

10. INSURANCE

The manufacturer shall take out an insurance policy to secure proper coverage of its business.

11. ARBITRATION

- i. If any difference of opinion or dispute would arise between the parties in connection with this MOU or its implementation, the Parties shall first use all reasonable efforts to arrive at any amicable solution.
- ii. Failing an amicable solution, all disputes arising in connection with this MOU shall be finally settled under the Arbitration and Conciliation Act, 1996 and as per the amended provisions thereof.
- iii. The Arbitration proceedings would be conducted at Regional office by a Sole Arbitrator to be appointed by the dealer.
- iv. The award pronounced by the said Arbitrator shall be final and binding on both the parties. Both parties will immediately take steps to ensure implementation of the said award.
- v. The language of arbitration shall be English only .

12. REPRESENTATIONS REGARDING COMPLIANCE WITH COMPANY ANTI-BRIBARY POLICY:

- i. The manufacturer company represents that he/she/it has not, and shall not itself or through any of its personnel given or give or promise to give money or any gift to any employee of dealer to influence their decision regarding this agreement and of any business transactions as per this agreement, nor shall he/she/it exert or utilize any unlawful influence through a promise to pay commission, percentage, brokerage or contingent fee or material in kind to secure or solicit any extension thereof.
- ii. The Manufacturer acknowledges and agrees that he/she/it has not, and will not, make or promise to make corrupt payments of money or anything of value, directly or indirectly, to any government or public international organization officials, political parties, or candidates for public office, or employee of a commercial customer or supplier, or private parties, for any purpose whatsoever.

13. FORCE MAJEURE

The Manufacturer shall incur no legal liability whatsoever if at any time it is unable to supply the whole or any part of the goods for reasons beyond its control including Acts of God, Acts of State/Central Governments orders, restrictions, war like conditions, hostilities etc. In such case the dealer shall be sole judge to decide the existence of such a circumstances and its decision shall be binding on both the parties. However, a notice in this regard is to be sent by dealer to the manufacturer or vice versa as the case may be on the applicability and cessation of such situation within the period of 48 hours on happening or cessation of such an event, as the case may be.

14. JURISDICTION

All disputes and issues arising out of this MOU other than which referred for arbitration shall be subject to the jurisdiction of the Courts at Corporation's Regional/ RLD Office (R.O.) at which place the cause of action shall lie due to the fact that the products, being the subject matter of this agreement, are brought/sold from the Registered Office of the Company at R.O. Head Quarter and also because the present MOU is being executed at R.O. Head Quarter. IN WITNESS WHEREOF, the Parties hereto, intending to be bound hereby, have caused this Agreement to be executed by their representatives there unto duly authorized in two Counterparts, each of which shall be deemed to be an original, as of the day and year first above written.

For

(Signature)

Name

Address

Designation

For

(Signature)

Name

Address

Designation

Witness:

1.For

(Signature)

Name

Address

Designation

1. For

(Signature)

Name

Address

Designation

1.For

(Signature)

Name

Address

Designation

2. For

(Signature)

Name

Address

Designation

