

## MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is entered into on the **16<sup>th</sup> of January 2018** on behalf of the President of India represented by Mr Anant Swarup, Joint Secretary (Logistics), Department of Commerce (DoC), which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the FIRST PART:

*AND*

Confederation of Indian Industry (CII) represented by Mr R.Dinesh, Chairman, CII Institute of Logistics & Managing Director of TVS Logistics Services Ltd, which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the SECOND PART

Department of Commerce (DoC) Ministry of Commerce & Industry and the Confederation of Indian Industry (CII) are herein also referred to collectively as the "Parties" and individually as the "Party"

### **Preamble:**

Logistics primarily involves various transportation modes & storage options along with the services component as well as regulatory processes. Connectivity and convenience in logistics operations are the keys to sustain global trade growth. Logistics infrastructure covering road, rail, waterways and air network plays a major role in establishing connectivity.

Logistics costs in India are high at 13%-14% of GDP compared to 8-9% in developed countries. India's World Bank Logistics Performance Index (LPI) indicates that India moved up from LPI rank 54 in 2014 to 35 in 2016. This indicates progress in Customs, Infrastructure, International shipments, Logistics competence, Tracking & tracing, Timeliness of delivery - areas that are benchmarked with other countries. Integrated development of the logistics sector is essential for improving the overall logistics performance of the country.

By setting up Logistics Division in Department of Commerce, the Government has ushered in huge structural changes in the direction of improving logistics performance. The Logistics Division is an apex centre that anchors national integrated logistics policy development and interface with various logistics related Ministries/Departments. The range of initiatives focus on orchestrating logistics developmental plans to realise synergies of multimodal logistics and overall performance improvement.

Both the Parties have entered into a *bipartite* MEMORANDUM OF UNDERSTANDING in order to set-up an institutional mechanism for Department of Commerce to work with various stakeholders in Logistics sector.

NOW IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS:

**1. Obligations/Commitments:**

1.1 Logistics Division of DoC to take following measures:

- a) To establish Logistics Working Group comprising of representatives from various Government departments and Industry with chairperson from Logistics Division and co-chairperson from CII Institute of Logistics.
- b) To seek actionable recommendations based on consultations through Logistics Working Group,
- c) To study, validate, prioritise and facilitate implementation of actionable recommendations through inter-ministerial coordination.
- d) To provide a facility on the Logistics Division portal for displaying & seeking feedback from the industry for development initiatives and policy inputs.
- e) Jointly organize the annual National Logistics convention with CII.

1.2 CII to take the following measures:

- a) To establish/adapt Logistics Committee/ comprising of CII members, other Industry Associations, sectoral/regional industry/trade associations etc affiliated with CII as sub groups of Logistics Working Group.
- b) The Logistics Working Group and sub groups being established as collaborative initiative of the Logistics Division of DoC with the Indian Industry and across the country would be steered and coordinated by CII (i) to foster a vibrant and focused engagement with the Industry on all aspects of logistics performance (ii) to appropriately raise issues and suggest solutions which may be considered by Logistics Division for necessary action (iii) to collaborate with concerned agencies including State Governments and various constituents of Logistics Sector. (iv) to explore ways and means of promoting Government of India policies related to Logistics sector development and performance. (v) to carry out collaborative activities such as capacity building programmes, stakeholder feedback, and mutually agreed focussed studies
- c) Create awareness about Logistics Division and its activities in the Industry.

## **Financials:**

Unless otherwise specifically agreed to in writing by the Parties for implementing the Scope of Services, each Party will bear the respective costs of carrying out the obligations under this MOU. It has been agreed between the Parties that apart from the objectives and initiatives envisioned under this MOU, if both the Parties after mutual consensus, wish to undertake any other programmes and initiatives which have financial implications, the same shall be discussed between the Parties and both the Parties shall execute separate MOU or Agreement for all such programmes and initiatives. Taxes if any will be charged extra and withholding tax if any will be deducted by respective party on any financial transaction as per applicable laws. CII would fund studies for mutually agreed subjects on select aspects of logistics sector development in consultation with DoC.

## **2. Termination clause:**

Each Party shall have the right to terminate the MEMORANDUM OF UNDERSTANDING by giving three (03) months' written notice in writing to the other Party at any time. If the MEMORANDUM OF UNDERSTANDING is terminated by either Party, steps shall be taken to ensure that the termination does not affect any prior obligation, project or activity already in progress.

## **3. Amendment clause:**

The MEMORANDUM OF UNDERSTANDING may be modified or amended by written agreement between the Parties.

It is hereby agreed that this signed MEMORANDUM OF UNDERSTANDING can be put in the public domain by any of the signatories.

IN WITNESS, whereof the parties hereto have executed these presents the day, month and year first herein above written.

SIGNED AND DELIVERED BY Mr  
Anant Swarup, Joint Secretary  
(Logistics) (on behalf of Department of  
Commerce, Government of India)



Signature

New Delhi- 110 001

In the presence of

Witness 1



Signature

Aman Sharma

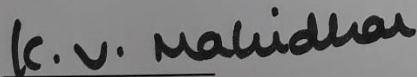
Director, Logistics Division

Department of Commerce

Ministry of Commerce and

Industry

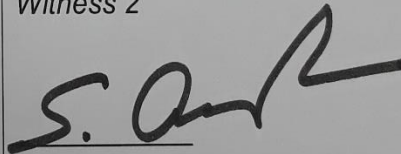
SIGNED AND DELIVERED BY  
Mr. K V Mahidhar, Executive Director,  
CII Institute of Logistics (on behalf of  
CII)



Signature

New Delhi- 110 001

Witness 2



Signature

S Raghupathy

Deputy Director General

Confederation of Indian Industry