



सड़क परिवहन  
एवं राजमार्ग मंत्रालय  
MINISTRY OF  
ROAD TRANSPORT  
AND HIGHWAYS  
सत्यमेव जयते



पत्तन, पोत परिवहन  
एवं जलमार्ग मंत्रालय  
MINISTRY OF  
PORTS, SHIPPING  
AND WATERWAYS  
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## MEMORANDUM OF UNDERSTANDING

BETWEEN

**National Highways Logistics Management Limited  
(NHML)**

AND

**Inland Waterways Authority of India  
(IWAI)**

**11<sup>th</sup> March, 2025**





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## MEMORANDUM OF UNDERSTANDING

This **Memorandum of Understanding** (hereinafter referred to as the "MOU") is entered on 11<sup>th</sup> day of March, 2025 at New Delhi.

**Amongst**

**National Highways Logistics Management Limited**,(a wholly owned company of National Highways Authority of India [NHAI], a statutory authority under Ministry of Road Transport and Highways, Govt. of India) having its registered office at 2nd floor, D-21 Corporate Park, Sector 21, Dwarka, New Delhi 110 077 (hereinafter referred to as "**NHML**", which expression, unless it be repugnant to the context or meaning thereof, shall mean and include its successors and assigns) and herein acting through its Chief Executive Officer of the **First Part**.

**And**

**Inland Waterways Authority of India**, a statutory authority under the Ministry of Ports, Shipping and Waterways, Government of India, having its Head Office at A- 13, Sector-1, Noida, Uttar Pradesh -201 301 (hereinafter referred to as "**IWAI**", which expression, unless repugnant to the context or meaning thereof, shall mean and include its successors and assigns), and herein acting through its Chairman, of the **Second Part**;

(NHML and IWAI shall collectively be referred to as "**Parties**" and individually be referred to as "**Party**" as the case may be.)

### **WHEREAS:**

- A. Multi Modal Logistic Parks (MMLPs) are being developed at various locations pan India which are envisaged to act as world-class logistic aggregation/ disaggregation point for various forms of cargo across all modes, within a single facility.
- B. The Parties above agreed to establish a MMLP facility at Varanasi in the State of Uttar Pradesh for improving inter modal logistics efficiency and as well as logistics costs of freight movements.
- C. The proposed MMLP at Varanasi shall be a freight handling facility with rail, road and inland waterway accessibility, comprising of container terminals, cargo terminals (bulk, break bulk), warehouses, cold storage, facilities for mechanized material handling and value-added services such as customs clearance with custom bonded storage yards, quarantine zones, testing facilities, and warehousing management services etc. along with other associated facilities.





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D. The Government of India in the Ministry of Road Transport and Highways has entrusted NHML with the development of Multi Modal Logistics Parks (MMLPs) across various locations in the country. Accordingly, NHML is undertaking the development of MMLPs across the country including promoting and incorporating Special Purpose Vehicles (SPV's) to house and undertake specific project development and implementation activities with respect to identified projects.

Varanasi city being situated on the bank of "Ganga" river and having developed facility for inland waterway has been selected as a potential location for development of MMLP.

E. Inland Waterways Authority of India (IWA) is the statutory authority constituted under IWA Act, 1985 by the Parliament of India for the regulation and development of inland waterways for the purposes of shipping, navigation and for matters connected therewith or incidental thereto.

IWA primarily undertakes projects for development and maintenance of IWT infrastructure on National Waterways through grants received from the Ministry of Ports, Shipping & Waterways.

F. MMLPs are being developed on a '**Hub and Spoke**' model and will integrate multiple modes of freight transport through highways, railways and other connectivity initiatives like inland waterways etc.

G. Ministry of Road, Transport and Highways (**MoRTH**), Government of India has approved the implementation of MMLP projects through SPV structure, whose revenue would be distributed amongst its constituents in proportion to their respective equity contribution.

Ministry of Port, Shipping and Waterways (**MoPSW**) Government of India has also agreed to the SPV structure for the development and implementation of MMLP at Varanasi (herein also referred to as "**Freight Node**")

H. In view of above and for successful implementation of MMLP project at Varanasi through an SPV structure, the Parties have mutually decided to enter into an MOU for promoting and incorporating a SPV to undertake development of MMLP project at Varanasi.

Given the objectives of improving logistics efficiency for goods generating and aggregating from ports, hinterland and for the country as a whole, NHML and IWA hereby agree to co-operate and collaborate with each other in achieving the aforesaid objectives for the development of MMLP at Varanasi in an integrated manner and shall fulfil their respective roles and responsibilities under this MOU as well as any other responsibilities, as they may arises in future.

**NOW THEREFORE**, for and in consideration of the premises, the mutual covenants, representations, warranties and agreements contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows.





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## A. Scope & Objective:

The purpose and intent of this MOU is to facilitate through an institutional arrangement the promotion and incorporation of a SPV to undertake development and implementation of MMLP (Freight Node) Project at Varanasi in the State of Uttar Pradesh ("MMLP-Varanasi Project") and to undertake and perform such other activities, functions and duties as may be entrusted to it by the Parties from time to time.

The proposed MMLP-Varanasi Project shall strive achieve and meet the following objectives:

- (a) Provide a state-of-the-art, large-scale warehousing and storage facility for different types of commodities;
- (b) Provide one stop solution for all services related to cargo movement – warehousing, custom clearance, modal shift, parking, maintenance of trucks etc;
- (c) Provide technology driven implementation of a state-of-the-art freight management system;
- (d) Provide facilities for value added services such as kitting and final assembly, grading, testing, sorting, packaging, re-packaging, labelling and returns management etc;
- (e) Provision for any other ancillary activities as may be necessary from time to time to give complete effect to the terms of this MOU.

The Parties, in pursuance to the above, have agreed to incorporate a Special Purpose Vehicle (SPV), under such name & style as may be mutually agreed upon, as a Limited Company under the provisions of the Companies Act, 2013 for undertaking the development and implementation activities in relation to the proposed MMLP- Varanasi Project including performing such other incidental and related activities as may be necessary or warranted in this regard.

## Equity Participation:

Both NHLML and IWAI have consented to participate in the equity shareholding of the SPV. Initially, each party shall contribute an equity amount of Rs. 5 lakhs each.

Further the infusion of equity shareholding by both the parties shall be staggered in line with the project requirement, with IWAI contribution in equity through land only. The value of land shall be determined on the basis of circle rate on the date of establishment of SPV.

The equity of IWAI will be taken as equal to the equity infused by NHLML till the equity infused by NHLML remains upto the value of entire land contributed by IWAI. As the equity share of NHLML goes above the upper limit of the land value on the date of the establishment of the SPV, the shareholding of NHLML will go above 50% proportionately.





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The Parties shall from time to time jointly review the progress of development and implementation of the said project and if required approve the formation of a joint committee of its representatives for this purpose with such roles, responsibilities, powers and authorities as may be specified by the Parties.

#### **Co-option of New Entities:**

The Parties further agree, subject to such approvals as may be required, that based on MMLP - Varanasi Project development, implementation and /or Operation, Maintenance and Management requirements the Parties may induct / Co-opt, from time to time, such additional entities in this collaborative framework as may be expedient for the purpose and objectives of this MOU with (i) such equity shareholding participation; and (ii) roles & responsibilities as may be mutually agreed upon amongst the concerned parties.

#### **B. Development & Implementation:**

(a) The MMLP - Varanasi Project would be developed in phases, with Phase I to be completed within a period of 02 (two) years commencing from date of formation of SPV of the MMLP project and will be executed in a structured manner, focusing on core facilities for initial operations.

Subsequently, next Phases will be set-up and /or operations of the existing facilities shall be expanded based on demand, flow of traffic etc with clear timelines and milestones ensuring that critical infrastructure and operational components required for the MMLP are prioritized.

(b) Phase I will focus on establishing the core facilities necessary to commence operations, while subsequent Phases will expand and enhance the MMLP-Varanasi Project in alignment with rising requirements and demand.

Timelines, deliverables, and milestones for each Phase will be clearly defined to ensure smooth progression and timely completion of the overall project.

(c) The development requirements for MMLP land for the initial and subsequent phases will be determined based on demand and growth assessment. This will also evaluate and determine logistical needs ensuring that the infrastructure and other facilities provided are tailored to meet the immediate & future demand of the project.

As the project progresses, additional land will be developed progressively in response to the demand and user requirements.

(d) To provide the required impetus for the development of MMLP - Varanasi Project, it is agreed that besides undertaking and performing such other roles & responsibilities (as defined herein or agreed to otherwise) the Parties shall also undertake the following :





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- IWAI will provide the land including railway siding and boundary wall to SPV on a lease basis at a nominal rate (Rs 1 per Acre),, and
- NHML will be responsible for the development and implementation of the MMLP- Varanasi Project.
- NHML, as a part of its project development and implementation responsibility, shall undertake, on behalf of SPV, the tendering and selection process in a fair, competitive and transparent manner for selection of agency/contractor/developer/operator for the MMLP - Varanasi Project.
- Upon identification of most preferred bidder the SPV on the recommendation of NHML shall award the project to the successful bidder.

(e) Parties hereby further agree to co-operate, collaborate and render all required assistance & support to each other for achieving the aforementioned Objectives by seamless development of MMLP-Varanasi Project as per agreed project development plan and shall fulfil their respective roles and responsibilities under this MOU as well as any other responsibilities as required from time to time.

(f) The Parties agree that the development of the MMLP-Varanasi Project may require additional advisory support from external consultant's viz. technical consultant, environment consultant, legal counsel, etc for delivering discrete components of the MMLP Project. NHML shall decide to engage consultants having expertise / specialization in various areas/subjects including Project Management Consultant, which may be considered essential during the course of development and implementation of the MMLP- Varanasi Project.

#### C. Roles, Responsibilities and Terms:

The Parties hereby agree to cooperate with each other in order to successfully develop and implement the MMLP -Varanasi Project. The role and responsibilities of the Parties, along with other terms are as under:

##### 1. General Co-operation & Understanding:

(a) MMLP- Varanasi Project specific SPV will be formed amongst the Parties and other Government stakeholders (if any), for the efficient implementation of the project in due course.

Till such time the proposed SPV is formalized, a Joint Working Committee shall be formed comprising NHML, IWAI, and any other Government stake holders, if required, to expedite the project.





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The governance structure, equity holding and functioning of project specific SPV shall be mutually decided by the Parties.

- (b) Each Party shall nominate at least one representative/ nodal officer for signing of this MOU.
- (c) In case, any of the Party wishes to increase its equity share in the SPV, it will accordingly contribute additional equity capital to the SPV to arrive at the desired equity shareholding percentage as per mutual agreement.
- (d) A detailed study will be carried out to evaluate and determine the technical, economic and financial feasibility for development of MMLP- Varanasi Project at the proposed location and based on the same detailed project development plans would be formulated by the Parties for project development and implementation.
- (e) Based on the model and structure preferred for the development and implementation of MMLP-Varanasi Project, the Parties shall comply with the applicable guidelines, recommendations and directions (including Model Documents) issued by the Government of India and/or any of its concerned entities in this regard.
- (f) For development of project infrastructure and related facilities inside MMLP project site, efforts will be made to select contractor through competitive bidding process. Till the incorporation and operationalization of MMLP-Varanasi Project specific SPV, the selection process for the identification and selection of preferred / most competitive agency/contractor/developer/operator, shall be managed by NHML in consultation with IWAI.

Upon selection of agency/contractor/developer/operator, a contract agreement will be signed between the SPV and the selected agency/contractor/developer/operator.

*In case the project specific SPV is not yet incorporated or functionally operative till then, in such an event, the contract agreement with the selected contractor, in the interim, shall be entered between the selected contractor and NHML / any other entity, as may be nominated by the Parties in this regard and subsequently to be novated in favour of the MMLP- Varanasi Project SPV once incorporated and functionally operative.*

In addition to this NHML will also endeavour to develop MMLP Varanasi Project (or any of its sub-components) under other feasible modes of development / user modalities so that the existing facilities developed by IWAI can be deployed for commercial use forthwith or at the earliest.





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(g) In an unlikely event of the MMLP-Varanasi Project SPV incurring loss, the losses will be borne by the equity holders of SPV in proportion of their (then) shareholding on fully diluted basis.

(h) The distribution of revenue shall be based on the proportion of the investment made by the Parties after setting aside the lease amount payable to IWAI.

Further it is also agreed that:

- The cost of land, railway siding and boundary wall cost shall be converted into equity holding to be held by IWAI,
- The development cost shall be converted into equity holding to be held by NHLML.

Any and all expense to be incurred for Land Mutation shall be borne by IWAI.

## 2. Role of NHLML :

NHLML shall act as the lead partner for development of MMLP Project.

(i) NHLML shall bear the cost of development of the MMLP either including its road, power and water in a phased manner as per the requirements which includes but not limited to:

- (a) developing essential common physical infrastructure within the MMLP site. This includes providing critical utilities such as power supply, water distribution network, well-planned internal road systems, and advanced drainage solutions.
- (b) establishing or causing to be established through the selected agency, comprehensive storage facilities tailored to modern logistics needs which will include high-capacity warehousing, open storage areas, climate-controlled cold storage units, container yards, custom-bonded (EXIM) zones, and storage silos.
- (c) to complement these, NHLML on behalf of SPV will develop or cause to be developed through the selected agency allied amenities that ensure operational efficiency and sustainability. These will include areas designated for value-added services such as packaging and labelling, parking zones/truck terminals for vehicles, landscaped green areas, commercial spaces for retail and business operations, and strategically located fuel stations to support transportation needs.
- (d) establishing trunk infrastructure which includes external road connectivity and utilities.
- (e) developing or causing to be developed any other additional facilities as per the project requirement.





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- (ii) NHML shall invite on behalf of the SPV competitive bids for development & implementation of MMLP- Varanasi by adopting appropriate development and implementation model ensuring fair, competitive and transparent selection of agency/contractor/developer/operator and the SPV will award the project to the successful bidder.
- (iii) NHML will implement the project on behalf of MMLP-Varanasi Project specific SPV and will also monitor the construction and operations of the MMLP.
- (iv) NHML's equity contribution would be on the basis of total capital cost invested in development/ up-gradation of the project site and any contingent amount required for development of MMLP.
- (v) NHML may, at its discretion, secure financing through an appropriate capital structure, or any other form of credit deemed suitable for the development of the MMLP- Varanasi Project

### 3. Role of IWAI:

- (i) IWAI shall procure the 150 acres land (this includes the 75 acres land for the FV & about 75 Acres for railway sidings) required for the development of various facilities like Warehousing, ICD, Truck Terminal and required facilities in the MMLP-Varanasi Project and provide it on as-is-where-is basis to the MMLP- Varanasi Project specific SPV .
- (ii) IWAI shall also construct the boundary wall all along the procured land i.e MMLP- Varanasi Project site.
- (iii) IWAI shall establish the rail siding along with the ROBs required for establishment of railway siding and provide to the same to the MMLP- Varanasi project specific SPV within a period of 04 (four) years from the date of this MOU, as per mutually agreed terms and conditions.

IWAI will be responsible for the design, construction, and commissioning of the rail siding, ensuring it meets all regulatory and safety standards duly approved by railways.

### D. Commencement & Term:

This MOU will become effective on and with effect from the date of its execution by the duly authorized representatives of Parties and will remain in force & effect till such time the Parties mutually decide, in writing, to terminate this MOU or enter into a more detailed and substantive agreement expressly superseding this MOU.

The termination of this MOU shall not affect the rights of the Parties accrued prior to such termination.





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#### **E. Amendment to the MOU & Notices:**

No amendment to this MOU shall be valid or binding unless set forth in writing and duly executed by the Parties to this MOU.

Further, each Party shall give due consideration to any proposals for modification / amendment made by the other Party.

#### **Notice:**

Any notice or other written document required or permitted to be given hereunder or for the purposes hereof to any Party shall be sufficiently given, if delivered personally or if transmitted by email or other form of recorded communication to such party.

Notices shall be sent to the addressees as per their registered office addresses

All notices required to be given by one Party to the other Party and all other communications, documentation and proceedings which are in any way relevant to this MOU shall be in writing and in English language.

#### **F. Miscellaneous:**

- (a) Parties will undertake reasonable policy measures/ decision for the success of MMLP - Varanasi Project. The Parties also undertake to act in good faith with respect to each other's rights under this MOU and to adopt all reasonable measures to ensure the realization of the objectives of this MOU
- (b) All the development shall be done accommodating local area regulations and any notified policy for development of MMLP projects.
- (c) This MOU is executed in duplicate with each copy being an original thereof and having equal legal validity.
- (d) Notwithstanding anything contained in this MOU, Parties shall not have any financial or legal liability whatsoever arising directly or indirectly from any of the stipulations arising from or in connection with this MOU, unless specifically agreed to by the Party concerned.
- (e) At all times after the date hereof, the parties shall execute all such documents, enter into additional writings and do such acts and things as may reasonably be required for the purpose of giving full effect to this MOU.





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(f) If any provision of this MOU is declared to be invalid, unenforceable or illegal by any competent arbitral tribunal or court, such invalidity, non-enforceability or illegality shall not prejudice or affect the remaining provisions of this MOU and the same shall continue in full force and effect.

(g) The Parties recognize that it is impractical in this MOU to provide for every contingency which may arise during the life of the MOU, and the Parties hereby agree that it is their intention that this MOU shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during the term of this MOU either Party believes that this MOU is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness or difficulties.

(h) The division of this MOU into sections and other subdivisions are for convenience of reference only and shall not affect the construction or interpretation of this MOU.

(i) Except as otherwise provided in this MOU, each Party shall be responsible for its own costs and expenses incurred in connection with performing and observing its obligations and covenants under this MOU.

#### **G. Dispute:**

Any dispute or difference arising between the Parties in relation to or arising out of the subject matter of this MOU will be settled by mutual discussions between the authorized representatives of the Parties, failing which through the intervention of the Secretaries of the Ministries of Road, Transport & Highways and Ports, Shipping & Inland Waterways.

#### **H. Applicable Laws:**

This MoU is subject to all valid laws of India, regulations, rules and orders of Governmental Authorities now or hereafter, having jurisdiction over the Parties.

#### **I. Remedies and Waiver**

- No delay or omission on the part of any Party in exercising any right, power or remedy provided by Law or under this MOU shall impair such right, power or remedy or operate as a waiver thereof.
- The single or partial exercise of any right, power or remedy provided by Law or under this MOU shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.





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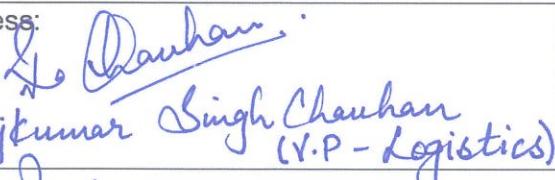
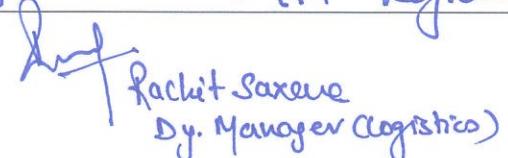
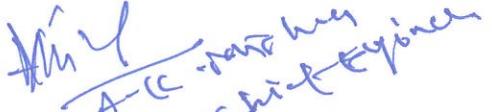
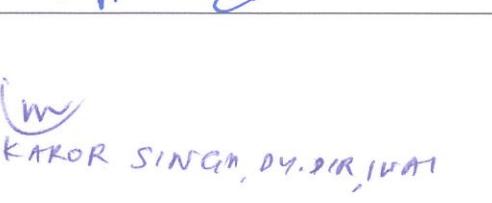
- The rights, powers and remedies provided in this MOU are cumulative and not exclusive of any rights, powers and remedies provided by Law.

**J. Confidentiality:**

The Parties acknowledge the confidentiality of the information, which may be transferred between the Parties from time to time as being essential to this MOU and agree not to disclose the same to any other third party. However, each Party shall be free to disclose such information as is:

- Part of the public domain at the time of disclosure;
- Required to be disclosed by official authorities in accordance with the Applicable Law;
- To their professional advisors;
- To their officers, employees, agents or representatives, who need to have access to such information for the proper performance of their activities; the obligation of Parties as defined above shall apply notwithstanding termination of this MOU.

**IN WITNESS WHEREOF** the Parties to the MOU have caused their respective duly authorized persons to execute these presents on the date first herein above.

<p>FOR NATIONAL HIGHWAYS LOGISTICS MANAGEMENT LIMITED (NHLML) NEW DELHI</p>  <p>Shri Prakash Gaur Chief Executive Officer</p>	<p>FOR INLAND WATERWAYS AUTHORITY OF INDIA, NOIDA UTTAR PRADESH</p>  <p>Shri Sunil Kumar Singh Vice Chairman</p>
<p>Witness:</p> <p>1)  Rajkumar Singh Chauhan (V.P - Logistics)</p> <p>2)  Rachit Saxena Dy. Manager (Logistics)</p>	<p>Witness:</p> <p>1)  Nitin A/C - Head Chief Executive</p>
<p>2)  Karan Singh Dy. DIR, IWA</p>	

