

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF INDIA

AND

THE GOVERNMENT OF THE KINGDOM OF LESOTHO

FOR THE PROMOTION AND DEVELOPMENT OF SMALL SCALE

ENTERPRISES

The Government of the Republic of India and the Government of the Kingdom of Lesotho (hereafter referred to as "the parties")

Intending to identify and oversee the implementation of projects for cooperation in political, economic, scientific, technical, social, cultural and health areas to maximize the effective utilization of economic resources and to improve the living standards of their people;

Recalling the Agreement for Bilateral Cooperation between the Government of the Kingdom of Lesotho and the Government of the Republic of India signed on 21st January 2004;

Have reached the following understanding:

ARTICLE 1

- (1) The Government of India will assist the Government of Lesotho on mutually agreed terms and conditions in the following: -
 - a) Capacity building for developing policy and institutional framework through exchange of experts.
 - b) Carrying out industrial potential surveys and feasibility studies to identify thrust areas and opportunities for development of small-scale industries in Lesotho.
 - c) Promoting partnership projects and institution-to-institution and enterprise-to-enterprise cooperation between the two countries.
 - d) Providing training for improvement of private sector's managerial and technical skills.
 - e) Recommend suitable plants and equipments for small industry projects in Lesotho.
 - f) Exchanging business missions to help initiate technology transfer and sustainable business alliances between India and Lesotho.
- (2) Both sides agree to establish a joint Small Scale Industries Committee whose mandate shall be to implement agreements and projects entered into pursuant to this Memorandum of Understanding.

- a) The Committee shall be composed of officials from the Ministry of Trade and Industry, Cooperatives and Marketing of the Kingdom of Lesotho and the Ministry of Small Scale Industries of the Government of India.
 - b) The Committee shall meet at least once a year, alternately in Lesotho and India at mutually convenient time.
 - c) The first meeting of the Committee shall be held within six months of the signing of this Memorandum of Understanding.
- (3) The Government of the Kingdom of Lesotho shall exempt the materials, motor vehicles, goods items of equipment and spare parts supplied for the enterprises referred to in Article 1 of this Memorandum of Understanding on behalf of the Republic of India from licenses, harbor dues, import and export duties and other public charges as well as storage fees, or meet these costs itself, and shall ensure that these inputs are cleared by customs without delay.
- (4) The Kingdom of Lesotho shall exempt the Republic of India from all taxes and other public charges levied in Lesotho in connection with the conclusion and implementation of the agreement referred to in Article 1 of this Memorandum of Understanding.

ARTICLE 2

The Parties shall agree on the interpretation of this Memorandum of Understanding and on the modalities for performing all the obligations stated in (1) above and the realization of the objectives of this Memorandum of Understanding in a mutually satisfactory manner.

ARTICLE 3

The Parties may enter into such further agreements of a general or specific nature as would in their opinion promote the effective implementation of this Memorandum of Understanding.

ARTICLE 4

This Memorandum of Understanding may be amended or modified at any time by mutual consent of the parties.

ARTICLE 5


Any dispute arising out of the interpretation of this Memorandum of Understanding shall be settled amicably through consultation or negotiation between the Parties.

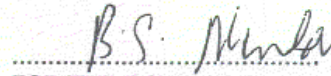
ARTICLE 6

- (1) This Memorandum of Understanding shall enter into force on the date of its signature by both parties.
- (2) This Memorandum of Understanding shall remain continuously in force unless it is terminated by either party giving ninety days written notice to the other party through diplomatic channels
- (3) Termination of this Memorandum of Understanding shall not affect the completion of any project undertaken in terms of this Memorandum of an understanding prior to its termination unless the parties agree otherwise.

IN WITNESS WHEREOF, the undersigned being duly authorized by their respective Governments, have signed this Memorandum of Understanding in two originals each in Hindi and English languages, both texts being equally authentic.

Done at: Mumbai on this 10th day of Sept. 2004.


FOR THE GOVERNMENT OF
THE KINGDOM OF
LESOTHO


FOR THE GOVERNMENT OF
THE REPUBLIC OF
INDIA

D.M. RANTEKOA
PRINCIPAL SECRETARY
MINISTRY OF TRADE AND
INDUSTRY, COOPERATIVES
MARKETING

B.S. MINHAS
SECRETARY TO GOVERNMENT OF INDIA
MINISTRIES OF SMALL SCALE INDUSTRIES
AND AGRO AND RURAL INDUSTRIES