

# DESTINATION UTTAR PRADESH

Invest in BIDA

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UTTAR PRADESH WAREHOUSING  
AND LOGISTICS POLICY 2022



# Uttar Pradesh Warehousing and Logistics Policy 2022





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## Abbreviations

1.	GDP	Gross Domestic Product
2.	GST	Goods and Services Tax
3.	CAGR	Compound Annual Growth Rate
4.	DFC	Dedicated Freight Corridor
5.	EDFC	Eastern Dedicated Freight Corridor
6.	WDFC	Western Dedicated Freight Corridor
7.	CLAP	Comprehensive Logistics Action Plan
8.	GSDP	Gross State Domestic Product
9.	PPP	Public-Private-Partnership
10.	LEADS	Logistics Ease Across Different States
11.	BRAP	Business Reform Action Plan
12.	UPSIDA	Uttar Pradesh State Industrial Development Authority
13.	LoC	Letter of Comfort
14.	NLP	National Logistics Policy
15.	ICD	Inland Container Depot
16.	CFS	Container Freight Stations
17.	AFS	Air Freight Stations
18.	CA	Controlled Atmosphere
19.	MA	Modified Atmosphere
20.	IQF	Individual Quick Freezing
21.	PFT	Private Freight Terminals
22.	PMGS	PM Gati Shakti
23.	NPG	Network Planning Group
24.	IIDC	Infrastructure & Industrial Development Commissioner
25.	TSU	Technical Support Unit
26.	CEO	Chief Executive Officer
27.	UPPCB	UP Pollution Control Board
28.	IoT	Internet of Things
29.	ATMS	Advanced Traffic Management Systems
30.	UPSDM	UP Skill Development Mission
31.	IDTR	Institute of Driver Training and Research
32.	NSDC	National Skill Development Corporation
33.	NGO	Non-Government Organization
34.	EIP	Eligible Investment period
35.	PIU	Policy Implementation Unit
36.	EC	Empowered Committee
37.	HLEC	High level Empowered Committee
38.	IWAI	Inland Waterway Authority of India

## 1. Background

Logistics plays a huge role in the global economy. The essence of a business is to exchange goods or services for money via trade. Logistics is the path these goods and services take to complete the transactions. The logistics industry is not only a key contributor to economic development but also plays a significant role in resolving environmental and social issues. As the markets evolve the companies are adopting different supply chain strategies to provide better services to their customers. The Global Logistics market was valued at USD 7,641.20 billion in 2017 and is projected to reach USD 12,975.64 billion by 2027, registering a CAGR of 6.5% from 2020 to 2027 (Global Logistics Market Statistics, 2021-2027). The Asian market is projected to be at the centre of global logistics activity—both in terms of growth and global investment in the world. It is expected to account for 57% of the growth of the global e-commerce logistics market between 2020 and 2025 (Statista, 2022) led by China, Japan and India.

Logistics is a critical determinant of trade within the country and is significant for India's competitiveness in global trade as a whole. The cost of logistics as a percentage of the GDP in India is as high as 13%-14% compared to 7%-8% in developed countries and 9%-10% in other BRIC countries. A reduction of even 1% in the logistics cost would mean a saving of approximately INR 1.4 Lakhs crore per annum. Therefore, there is an inherent need to develop a robust, well integrated, and efficient logistics ecosystem in the country .

India's rank on Logistics Performance Index 2018 has jumped 10 positions from 54 in 2014 to 44 in 2018 (World Bank 2018). The Logistics Industry in India was valued at US\$150 billion presently (FY2021) and accounts for 14.4% of the nation's GDP and is expected to reach US\$380 billion by 2025 (Logistics Skill Council, 2022). Post recovery from the global pandemic, the logistics industry in India is poised for high growth at a CAGR of 10-12% owing to digitization (Statista, 2022). Currently, freight transport in India is majorly road-dominated—accounting for 59% of freight movement. Approximately 35% of freight demand is met by rail, 6% by waterways and less than 1% by air (Niti Ayog, 2021) .

In order to ensure comprehensive development of logistics infrastructure in the country, the Union Government of India has been taking multiple initiatives. These are primarily based on 4-pillars viz. infrastructure development, logistics planning, pro-active governance and adoption of technology. This includes easing of FDI norms, implementation of GST, stimulating growth of ecommerce, positive changes in regulatory policies, and all round infrastructure & industrial development through programmes like "Gatishakti", "Sagarmala", "Make in India" etc. The Government of India is coming up with 2-Dedicated Freight Corridors (DFC).e. Eastern Dedicated Freight Corridor (EDFC) and Western Dedicated Freight Corridor (WDFC) as high speed and high-capacity railway corridor for the transportation of freight. As these corridors reduce the logistics costs and timing of transportation, 2-prominent Industrial Corridors i.e. Delhi -Mumbai Industrial (DMIC) and Amritsar-Kolkata Corridor (AKIC) are coming up around both these DFCs. Other projects include Multi Modal Logistic Parks , Rapid Rail Transit System,

Expressways, UDAN - Regional Air Connectivity Scheme etc. are also being implemented to reduce the cost of logistics spending from 14% of GDP to less than 10%.

The Central Government is also emphasizing pro active and effective governance for focused development of Logistics sector in India and has set up a dedicated Logistics Division to ensure coordinated growth of the logistics industry started in India in 2017. The Union Government has launched PM Gati Shakti National Master Plan in 2021 for integrated and comprehensive project planning for infrastructure and industrial development in India which will further improve the logistics in the country. Recently, the National Logistics Policy 2022 has been launched by the Central Government that envisions to improve efficiency in services (processes, digital systems, regulatory framework) and human resource by providing a Comprehensive Logistics Action Plan (CLAP).

## 2. Scenario in Uttar Pradesh

Uttar Pradesh is 4th largest state in India in terms of area and accounts for 17% of the population of India. Being strategically located adjacent to National Capital Region it offers a lucrative gateway to eastern exporting ports and central India. The State offers a vast consumer and labour market to investors. Presently, the gross state domestic product (GSDP) of Uttar Pradesh at current prices has been estimated to be US\$ 294.90 billion (INR 21.74 trillion) in 2021 -22 (MoSPI, 2022). Contributing nearly 8% of national GDP, Uttar Pradesh, with its investor friendly policies, reforms and proactive governance, has set a target to become USD 1 trillion -dollar economy. For this, the State intends to attract investments to the tune of INR 10 lakh crores. Therefore, the State Government is aggressively promoting rapid industrialisation and infrastructure development as manufacturing and logistics are intrinsically linked.

Uttar Pradesh has emerged as one of India's most preferred investment destinations. In recent few years, the State has established itself as a leading investment destination in India. Merchandise exports from Uttar Pradesh reached US\$ 16.39 billion in FY21 and US\$ 18.83 billion in FY22 (until February 2022). The State ranked 11th in India in terms of FDI inflows in 2021. In 2019, 147 investment intentions worth Rs. 16,799 crore (US\$ 2.40 billion) were filed in the State (DPIIT). Given the emphasis laid on logistics development and for providing ease of logistics, Uttar Pradesh has been graded under "Achievers" category within the Landlocked cluster in Logistics Ease Across Different States (LEADS) Survey 2022. It has been recognised as one of the leader States, in terms of "quality of rail infrastructure" and leading State to process of integration of essential data layers on PM Gati Shakti portal (LEADS 2022). Previously, Uttar Pradesh has jumped 7 positions to rank 6<sup>th</sup> in the country in the last Logistics Ease Across Different States (LEADS) ranking 2021 and was categorised as "Top Improvers".

### 3. About Policy

#### 3.1. Vision

To develop an integrated logistics ecosystem in the State and connect different modes of transport to reduce logistics cost and time, thereby enhancing competitiveness, operational efficiency of businesses and providing business friendly trade and investment landscape in the State.

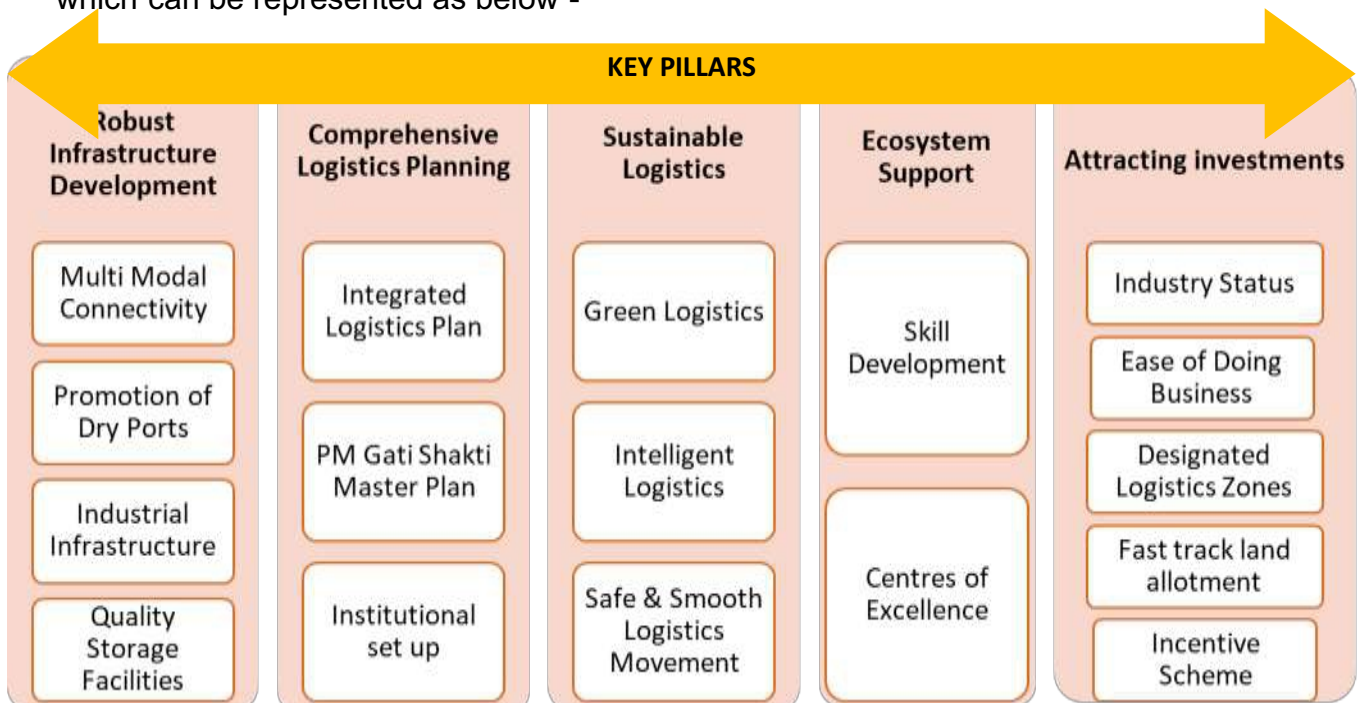
#### 3.2. Objectives

The State aims to achieve vision of the policy through the following -

1. Create robust transportation infrastructure network promoting inter-modalism for enhanced traffic linkages towards providing last mile/ first mile connectivity to economic hubs of the state
2. Upgrade and improve the existing warehousing and logistics infrastructure to boost economic activities and generate large scale employment opportunities
3. Promote integrated development of logistics services in the State for reducing logistics costs and improving efficiency
4. Create an effective institutional governance mechanism for effective administration and integrated planning for development of logistics sector
5. Attract private investments in setting up logistics facilities in the state with forward and backward linkages
6. Promote excellence and upskilling, re-skilling & capacity enhancement of the workforce to cater to the needs of Logistics industry
7. Establish smart logistics practices by promoting adoption of technology and modern practices to enable automation, green logistics and safety.

#### 3.3. Strategy Outline

Through this new Policy the State puts forward a strategy to attract private participation in the State for the comprehensive development of Logistics sector, which can be represented as below -





### 3.4 . Scope of Policy

As defined by Government of India in the National Logistics Policy 2022, 'Logistics' means Transportation & handling of goods between points of production and consumption, storage, value addition and allied services. "Logistics infrastructure" comprises of nodes and connections, more recognizable as ports, stations, Multimodal Logistics Parks (MMLPs), warehouses, and other business premises, connected by roads, railways, shipping, inland waterways, air routes, pipelines, etc., that are used by a wide range of carriers (Section 2 of the National Logistics Policy (NLP) 2022 notified vide DPIIT G.O dated 28.09.2022).

In the light of above , the policy shall include the following –

- 1) "Storage facilities" include –
  - a. Warehouses including go-downs both open/ closed developed for handling and storage of cargo in bulk/ break bulk form;
  - b. Silos built as vertical storage structures for storing bulk cargo in both solid and liquid form;
  - c. Cold Chain facilities developed for storage and minimal processing of perishable/ temperature sensitive cargo having controlled / modified atmosphere chambers, variable humidity chambers, quick/ blast freezing, mobile pre-cooling vans, reefer vehicles and facility for weighing, sorting, grading, packing, pre cooling, fog treatment and other processes.
- 2) "Logistics Parks and Dry ports" include Multi-modal logistics parks and transport terminals including Inland Container Depots, Container Freight Stations and Air Freight Stations with or without support storage facilities.
- 3) Other facilities include –
  - a. Truckers parks or lay -bays for truck parking cum resting spaces
  - b. Cargo terminals including private railway sidings and freight terminals
  - c. Inland vessels including barge, tug -boats, jet -ferries, etc. as defined in Inland Vessels Act 2021 and Berthing terminals

## Strategy 1

### 4. Robust infrastructure development

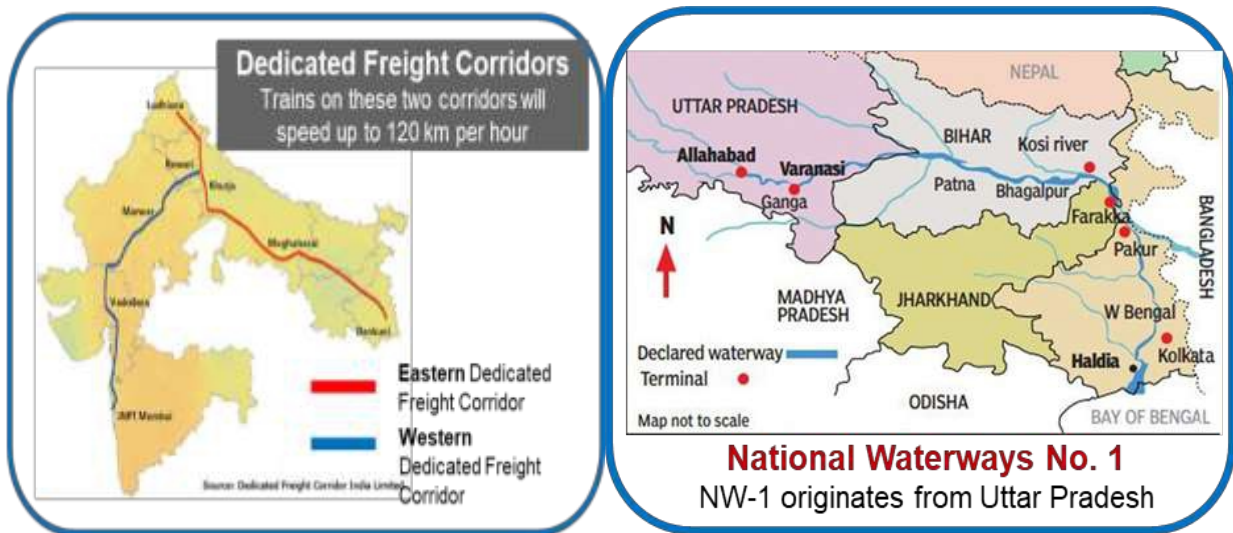
The State has a well-developed social, physical, and industrial infrastructure. Uttar Pradesh has the longest network of National Highways and Railway tracks in India. It also has good connectivity through 48 National Highways, 13 existing & upcoming Expressways, 5 existing & upcoming International airports, more than 20 routes for domestic air connectivity and rail links to all major cities.

#### 4.1. Multi Modal Connectivity

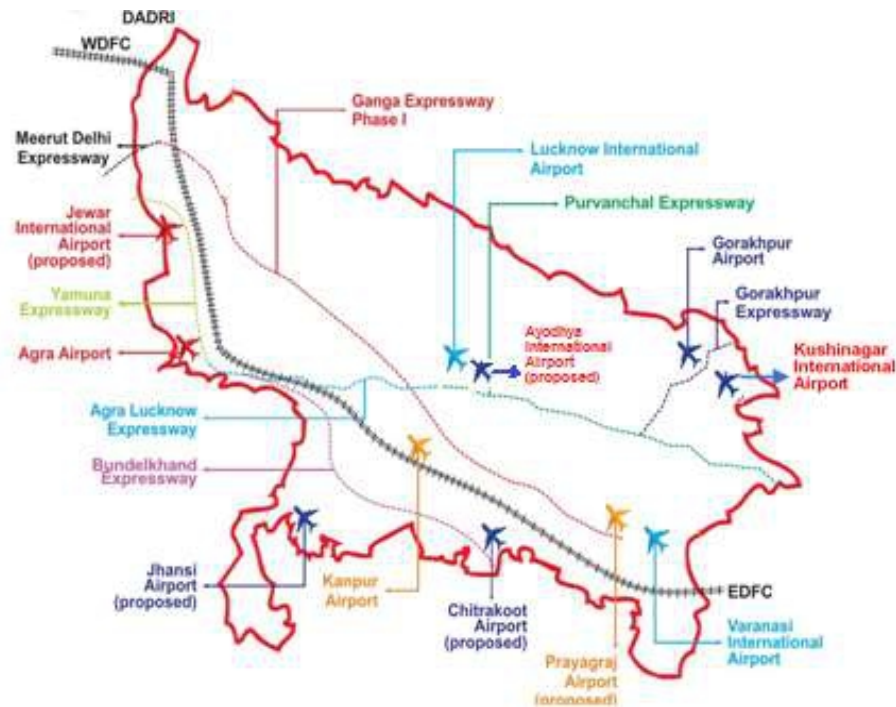
The long-term strategy of the Government of Uttar Pradesh is to create a connectivity web of air, water, road and rail network that will ease logistics for the

industry to access the global and domestic market . The policy aims at strengthening this network to ensure smooth and low cost logistics in the State to leverage its industrial investment potential.

- a) In addition to hosting the largest railway network (more than 16,000KM) in the country, the State is home to a considerable portion of the Western Dedicated Freight Corridor (WDFC) and Eastern Dedicated Freight Corridor (EDFC). The WDFC will provide an easy access to the JNPT port at Mumbai (Western India) and with 57% of EDFC passing through UP & connecting the Haldia Port at Kolkata (Eastern India), the State has created a strategic framework to leverage both these freight corridors. With both the corridors - EDFC and WDFC intersecting at Dadri (located in Gautambuddha Nagar district), the State has a unique advantage in the logistics sector .



- b) Nearly 1,100KM of the country's first inland waterway is already operational in the State connecting Prayagraj to Haldia port. A Multi Modal Terminal at Varanasi and various floating terminals are operational along the NW-1 at Ghazipur / Rajghat, Ramnagar (Varanasi) and Prayagraj terminals.
- c) In addition to being home to one of the highest National Highway networks in the country, Uttar Pradesh has established itself as the State of Expressways with thirteen existing & upcoming expressways – six expressways have been completed (1225 kms) while seven are under various stages of development. These expressways are bringing about the much needed overall socio-economic development in the State . Also, there is an opportunity to develop new industrial corridors along these expressways.



- d) With existing international airports at Lucknow, Varanasi and Kushinagar and new airports are coming up at Jewar and Ayodhya, Uttar Pradesh is set to become the only state in the country with 5 international airports. In addition, 7 airports have been made operational under Regional Connectivity Scheme (RCS) for domestic connectivity, and another 8 airports are in pipeline. The Jewar Airport is set to be one of India's largest international airport spread over 5000 hectares. Besides, more than 20 routes have been identified for domestic air connectivity.

#### 4.2. Promotion of Dry Ports

Uttar Pradesh is a land locked State with exporting clusters spread across the length and breadth of the State. Therefore, the State has developed dry - ports over the period of time to facilitate export cargo movement to the sea ports.

- a) The existing logistics infrastructure at Uttar Pradesh includes Moradabad rail linked combined domestic and EXIM terminal, Rail linked Pvt Freight Terminal and Inland Container Depot (ICD) in Kanpur, ICD at Dadri Terminal and Kanpur ICD.
- b) The State has an advantage of upcoming terminals along/ at the Inland waterway and multi modal terminals along/ at freight corridors . A Multi-Modal Logistics Hub (MMLH) at Dadri and Multi-Modal Transport Hub (MMTH) at Boraki are also being developed, which will further give a fillip to the sector.
- c) India's first "Freight Village", spread over 100 acres is coming up at Varanasi. Connecting the exporting hubs of Eastern UP to the ports

of East India, the village will serve as a trans-shipment hub for inbound and outbound cargo

The State Government aims to strengthen the existing dry ports, inland container depots, freight stations and logistics terminals at suitable locations with access to road corridors, quality network of 4-lane and 6-lane highways, interlinking roads, etc. The State Government plans to attract private investments for developing dry ports with modern facilities in the State through this policy.

#### 4.3. Industrial Infrastructure

As a result of rapid infrastructure development, there has been a considerable rise in the development of industrial clusters/hubs and Public-Private-Partnership (PPP) projects in the State in recent few years.

- a) Government of India is developing various Industrial Corridor Projects along side the freight corridors of WDFC and EDFC as part of National Industrial Corridor Programme viz. Delhi Mumbai Industrial Corridor (DMIC) and Amritsar Kolkata Industrial Corridor (AKIC). These corridors aim at developing greenfield industrial cities in India, including prominent exporting and manufacturing hubs of the State.
- b) Important projects along side DMIC-AKIC include development of Integrated Township along the DMIC catchment area in Greater Noida; Proposed Integrated Manufacturing Cluster (IMC) under AKIC Project at Prayagraj and Agra .
- c) Some of the other key industrial infrastructure projects planned in the State include-
  - Out of the 2-Defence Industrial Corridors announced in India, one is coming up in Uttar Pradesh on 6-nodes within UP, viz. Agra, Aligarh, Kanpur, Lucknow, Jhansi & Chitrakut over 5000 ha of land.
  - State's first Medical Device Park has been launched along Yamuna Expressway. First of its kind Film City and projects like Toy Park, Apparel Park, Handicraft Park are coming up alongside of Yamuna Expressway.
  - A Logistic Hub along Yamuna Expressway, MRO/ Cargo complex near upcoming Jewar International Airport and Logistics centres/ hubs along Expressways are being planned in the State.
  - Other projects including, Mega Food Park in Bareilly, Transganga City in Unnao, Plastic Park in Gorakhpur, Garment Park in Gorakhpur and several Flatted Factory complexes in Lucknow, Kanpur, Agra, Ghaziabad, Gorakhpur & Aligarh are being planned.

With ease of logistics, more such industrial infrastructure projects are likely to come up in the State which will in turn boost investment momentum and fuel economic growth. This policy will therefore play a key role by providing

a supporting ecosystem for the development of such industrial infrastructure in the State.

#### 4.4. Quality Storage facilities

UP has one of largest storage capacity in India, w.r.t. total number of railway good sheds (689) and cold storages (2406) where the cold storage capacity of the State is highest in India having a share of 39.84% of the national capacity (LEADS 2021). As Uttar Pradesh is already a major player in agriculture and is envisaging to promote manufacturing of electronics, pharma, defence etc., it is important to develop quality storage facilities equipped with modern technologies alongside industrial corridors, expressways, freight corridors etc. Therefore, the State Government aims at enabling the development of such quality storage facilities across the State through this policy by attracting private investments in the sector.

The policy encourages setting up of retail linked warehouses with modern facilities including grading, sorting, and packing facilities with inhouse testing labs. It also enables expansion of Cold Storage infrastructure to increase the shelf life of perishable goods and maintaining the quality thereby providing impetus to export of agri commodities. The State Government will also identify the existing storage facilities owned by various Government agencies and promote their upgradation by private entities through relevant State Departments/ Agencies involved such as Cooperative Department, Horticulture Department, Agriculture Department, etc.

## Strategy 2

### 5. Comprehensive Logistics Planning

Since the Logistics Industry in India is highly defragmented, integrated and comprehensive planning for removing imbalanced distribution of logistics services becomes a very crucial aspect of governance. As Government of India is laying high emphasis on holistic logistics planning to improve the country's trade competitiveness, the State Governments are also focusing on logistics planning. The Government of Uttar Pradesh has also taken multiple steps in this context.

#### 5.1. Integrated State Logistics Plan:

For holistic development of the logistics sector, the State Government has developed a comprehensive Integrated State Logistics Plan, to ensure seamless connectivity and swift cargo movement across the State benefitting the export hubs at large. Areas of improvement and development are being regularly monitored and reviewed through the plan.

Further in this context, the State is in process of preparing City Logistics Plans for identified seven smart freight cities i.e. Agra, Kanpur, Varanasi, Prayagraj, Lucknow, Ghaziabad & Meerut to develop logistics in peri urban

areas and towns. It will help cities map their current freight performance, define their present and future needs, and identify reform areas in their respective areas.

## 5.2. Integration with PM Gati Shakti National Masterplan

Uttar Pradesh has been one of the leading states in integrating the State Masterplan with the PM Gati Shakti National Masterplan (PMGSNMP) to facilitate project planning and accelerate the development of logistics infrastructure in the State. Post the launch of NMP, relevant State Departments were mobilised for geo-referencing and mapping their assets online in coordination with Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG-N) & Remote Sensing Applications Centre UP (RSAGUP).

So far, the State has successfully integrated all 20 mandatory layers identified by Government of India. Further, 27 additional layers that have been identified as critical for project planning, have been created within the State Portal. The policy will adopt an integrated approach with National Master Plan (NMP) for the development of robust infrastructure in the State. GatiShakti NMP will benefit the logistics sector most with investment across roads, highways, ports, airports, multi-modal terminals etc.

## 5.3. Institutional set up for Logistics Planning

The State also has comprehensive institutional set up comprising dedicated Nodal Officer, State Logistics Cell and Logistics Coordination Committee for the development of logistics sector. A dedicated "Logistics Cell" has been set up under the chairmanship of Additional Chief Secretary, Infrastructure & Industrial Development Department vide Govt Order No. 107/77 -6-2021 dated 8th January 2021. This dedicated cell will ensure synergy and swift decision making between departments including Civil Aviation, Transport, Power, Horticulture, Warehousing Corporation and other related departments in planning logistics development in the State. Also, Logistics Coordination Committee has been constituted under the chairmanship of Chief Secretary vide Government Order No. 108/77 -6-2021 dated 8th January 2021.

Further, City Logistics Coordination Committee has been set up under the chairmanship of Additional Chief Secretary Housing & Urban Planning and City Logistics Committees in the identified seven smart freight cities in UP under the chairmanship of respective Municipal Commissioners has been set up vide Govt Order No.8-3099/262/2021 dated 9th September 2021. The City Logistics Coordination Committee is responsible for formulation, reform, implementation, and monitoring City Level Committee to build logistics infrastructure in the state apart from consultations and coordination with Government of India. The committee at the city level is responsible for formulation of City Logistics Plan and for on ground development of logistics infrastructure in their respective regions.

Similarly, for Gati Shakti implementation in the State, a Secretary rank officer has been appointed as State Level Nodal officer for PMGS. An Empowered Group of Secretaries (EGoS) has been established under the chairmanship of Chief Secretary vide IID6 G.O No 177/ 77 -6-2022 dated 02.02.2022. Also, a Network Planning Group (NPG) has been established under the chairmanship of Infrastructure & Industries Development Commissioner (IIDC) vide IID 6 G.O No 1122/77 -6-2022 dated 28.05.2022 and a Technical Support Unit (TSU) has been established under the chairmanship of Chief Executive Officer (CEO) Invest UP vide IID 6 G.O No. 1122/77 -6-2022 dated 28.05.2022.

With this, the State has created a comprehensive institutional set up for Logistics planning in accordance with Central Government directives which is and shall continue working for integrated planning and comprehensive development of the Logistics sector in the State.

## Strategy 3

### 6. Sustainable Logistics

#### 6.1. Green Logistics

The policy aims at promoting smart warehousing, use of solar energy, decongestion of roads to lower emissions, usage of Industry 4.0 like Internet of Things (IoT), AI, Blockchain etc. for improving the efficiency of the processes cutting across the different logistics facilities to enable sustainable and green logistics in the State. Towards this, the policy promotes private investments for adopting green measures in the logistics industry. This also includes the State's endeavour to promote captive solar power generation by allowing open access to Logistics industry.

The State shall also promote efficiency improvement in transportation modes by ensuring last mile connectivity and promoting right modal mix (increasing share of energy in efficient modes/green modes) through the upcoming City Logistics Plans. These plans shall also promote smooth logistics movement, electric mobility, reverse logistics to minimise idle time and promote technology innovations to minimise polluting impact of logistics & optimize capacity utilization.

#### 6.2. Innovations and Intelligent Logistics

The policy encourages the usage of modern technology and digital transformations to provide leaner and smart logistics for seamless connectivity. The policy enables industry to use digital technologies to transform the logistic sector in the state. In order to enable access to efficiency enhancing mechanisms and adopt modern techniques, the state will encourage acquisition of better equipment such as larger and well-equipped trucks, higher load capacity railway wagons, etc. and will promote adoption of innovative logistics operation technologies.

This includes encouraging research & development, promoting of digitization techniques, robotics and automation in material handling, cargo transportation & de-congesting cargo traffic at logistics facilities, automation in supply chain, and blockchain technology-based systems for transaction validations, exchange of documentation & information in a secured manner, and other innovations .

### 6.3. Smart Enforcement for safe and smooth movement of Cargo

The State Government is already implementing the Advanced Traffic Management Systems (ATMS), Way in Motion sensor systems with cameras in all lanes of Toll Plazas, and Static Weigh Bridge at each Toll Plaza of main carriageway . The provision of E-challans on major routes has already been implemented. Integrated mining surveillance system through Mine Mitra ([minemitra.up.gov.in](http://minemitra.up.gov.in)) has been developed. It provides Online citizen/Farmer e-Services, Online Mineral Management, Integrated mining surveillance system, Online e-commerce platform and DSR to Lease deed mapping.

These measures shall be reviewed and upgraded from time to time by relevant State Departments/ Agencies . The State Government through regular review of the State Logistics Plan and review of State's performance on LEADS ranking, promotes the use of such technology interventions made by various State departments/ agencies to enable safe and smooth logistics in the State. It also promotes use of technology by private logistics operators/ developers to ensure hassle free movement and safe handling of cargo in the State through this policy (Para 6.2.)

## Strategy 4

### 7. Ecosystem Support for Logistics

#### 7.1. Skill Development for Logistics

The State has the highest nos. of training centres with maximum nos. of individuals trained in logistics (LEADS 2021). Skill development courses for loaders/ unloaders and packers and commercial drivers are available through UP Skill Development Mission (UPSDM). Training in logistic sectors through its empanelled vendors/training providers is being provided by developing private facilities for training in the state. There are around 688 Motor Driving Training Schools under private ownership which are providing training to heavy vehicle's (Bus/Truck) drivers. State owned Drivers Training and Multi Skill Institutes are being constructed in 12 divisions to provide training to the truck drivers as well as other logistics personnel such as loaders/unloaders, packers etc. The Institute of Driver Training and Research (IDTR) is also under construction at Raebareli.

New job roles are being identified to cater to the 21st century skills in logistics sector in close coordination with experts in the markets and Logistics Sector Skill Council. The new curriculum and trainings will be



developed in consultations with stakeholders in the logistics industry and NSDC. In order to strengthen the skilling ecosystem for logistics further, the State Government shall create a dedicated Task force at the State Skill Development Department in coordination to conduct a gap assessment study with a mandate to identify action areas viz. requirement of new courses, programs for skilling and re-skilling, spread of training institutions, etc. Nonetheless, the policy promotes the industry to provide relevant industry related skilling and incentivises such costs as well.

## 7.2. Centre of Excellence

The State shall endeavour to promote development of new technology, operation models and opportunities in the logistics sector through the establishment of Centres of Excellence (CoEs) in the State. Government organizations / PSUs/ Pvt companies shall be encouraged to set up Centres of Excellence (CoE) in the field of Logistics to facilitate R&D, innovations, technology acquisition and other facilities to support the logistics ecosystem in the State.

The Government of Uttar Pradesh shall provide financial support in the form of Grant-in-aid (covering capital and operational expenditure) upto INR 10 crores to each CoE during span of 5 years from the date of establishment, subject to maximum five CoEs. It is expected that the CoE would become self-sustainable by the end of 5 years. The Industrial Development Department will sanction and disbursement of incentives to the project on the recommendations of the High level Empowered Committee (HLEC) as defined in this policy. Moreover, the release of funds/ incentives by the Government shall depend upon their performance.

## Strategy 5

### 8. Attracting investments for Logistics

#### 8.1. Industry Status to Logistics sector -

Uttar Pradesh has been the pioneering State in India to have granted industry status to the logistics sector, due to which it has established itself as a favourable investment destination for logistics industry in northern India. Such industry status was extended as per the UP Warehousing and Logistics Policy 2018 to only those projects which were granted 'infrastructure status' by Government of India.

Under this new policy, the 'Industry Status' is now being extended to all the eligible projects as defined in this policy. As a result, Industrial Land Use and Industrial FAR will be applicable to all such Logistics projects in the State. This will reduce the cost of setting up business for Logistic industry in the state.

## 8.2. Ease of Doing Business

- 1) Admissible Height: This Policy allows structures with height beyond 15mtrs (as per Para 3.4.2 under Part 4 of National Building Code 2016) subject to the condition that there is no regular/continuous human habitation beyond fifteen meters (15 meters) and adequate fire-fighting systems are installed as prescribed by the State Fire Department. The Fire Department shall issue special instructions in this regard with respect to the logistics sector to field level units.
- 2) White Category: Given that certain warehousing & logistics activities have lower pollution footprint and waste generation, the categorisation of such activities based on their level of air, water pollution and hazardous waste generation will be rationalised from time to time. The State Government has already categorised warehousing and logistics activities as prescribed by UP Pollution Control Board (UPPCB) vide G.O no. H 80284/ 213/ 2017 -22 dated 26.08.2022 as 'White' category. The specifications of activities qualifying under 'White category' shall be reviewed from time to time by UPPCB in consultation with the Industry Department, GoUP.
- 3) Single Window Clearance: The State Government through Nivesh Mitra provides online NOCs/ Clearances/ Approvals for setting up and operating the industries in the State. To further enable ease of doing business for warehouses & logistics industry in the State, specific clearances/ NoCs/ Approvals required for the sector will be separately listed and provided on the Nivesh Mitra portal.
- 4) 24X7 Operations: Warehouses will be permitted to operate 24x7 in the State. To encourage female employment, such projects will also be allowed to employ women in all shifts (including night shift) on their consent, provided all safety, transportation and other measures for such female employees as prescribed by the State Labour Department are ensured.

## 8.3. Fast track land allotment for Logistics park

- 8.3.1. Preferential land allotment within Industrial Development Authority/ Development Authority areas, as stipulated in UP Industrial investment and Employment promotion Policy 2022, will be done on fast-track basis for development of Logistics Park as defined in this policy with minimum Capital Investment (as per Para 9. 3.1 (7) of this policy) of INR 500 Crores.
  - a. Invest UP, upon receipt of the online application along with an application fee for such fast-track land allotment, will scrutinise the application based on the DPR and other parameters set forth for the same.
  - b. A Fast-Track Land Allotment Committee under the Chairmanship of Infrastructure and Industrial Development Commissioner, as

stipulated in UP Industrial investment and Employment promotion Policy 2022, will provide its final approval for such allotment based on the scrutiny done by Invest UP.

- 8.3.2. In case the investors require the State Government to acquire/ purchase land for such Logistic Parks outside Industrial Development Authority/ Development Authority/ Urban Local Bodies/ other notified areas, following provisions will be applied -
- a. The Nodal Agency as designated by the Government, will arrange to acquire at least 1.25 times of the land required by such eligible Logistics Park so that a minimum of 4 more Logistic units or industrial units can be set up in the additional land so acquired. Such eligible Logistics Park can be allocated up to a maximum of 80% of the saleable area.
  - b. While submitting a proposal for allotment of land under this provision, the eligible Logistics Park can also submit a proposal upfront for allotment of land for setting up of additional Logistic units or Industrial units in the additional land so acquired, and in such case, all such additional projects/ units will also be treated as eligible for fast-track allotment irrespective of the level of investment in them.
  - c. For the purpose of calculating eligibility under this scheme, only the capital investment of the Logistics Park shall be considered and the capital investment of the other 4 -units shall not be considered.
  - d. In case where such eligible Logistics Park submits a proposal for allotment of land for additional units less than 4, then the Nodal Agency will allot the balance land for setting up logistics or industrial units as per its own rules/ procedure.
  - e. The allotment cost shall be determined after including the purchase/ land acquisition cost, internal and external development cost as per actuals, and administrative charges as may be specified from time to time. Detailed guidelines in this regard shall be issued separately.
  - f. The Nodal Agency may decide to take the entire acquisition cost/ allotment price upfront, or part upfront and part in the form of Bank Guarantee or any other mechanism to ensure that the entire cost is secured in favour of the agency. Any escalation in the cost of acquisition as a result of intervention of the courts will have to be borne by such eligible project/ projects.
  - g. For the purpose of map approval on such acquired land, the bye-laws of the designated Nodal Agency shall apply. However, no charges/ approval from the designated Nodal Agency will be required for subsequent leasing/ renting out plots/ units by the developer within such eligible Logistics Park during the lease period.

8.3.3. Safety: If it is essential to establish a new police station/check post in the logistics park / dry port/ air freight station or industrial area where the eligible projects are being set up, then for this purpose land free of charge will be provided by developer/concerned authority.

#### 8.4. Development of Designated Logistics Zones:

The State has several high potential zones which can emerge as logistics hubs in India. For instance, the WDFC and EDFC– the two key freight corridors of the country, passing through the State and intersecting at Dadri (Greater Noida) offer huge potential for the State to develop multiple Logistics Hubs along their catchment areas. Similarly, the extensive network of Expressways connecting the prominent exporting hubs spread across the length and breadth of UP offer several pockets in their proximity that can also be developed as Logistics Hubs. Other areas near key infrastructure projects such as the upcoming Jewar International Airport, Regional Domestic Airports and Inland Waterway can also emerge as prominent Logistics Hubs in the State.

- A) Region in proximity of such infrastructure projects will be identified for promotion as designated Logistics Zones from time to time by the State Government through a separate Government order.
- B) For the development of such zones, the State Government will facilitate acquisition of land in the areas not notified under any Industrial Development Authority or Development Authority or Special Area Authority or Regulated Area or Urban Local Body as per Para 8.3 of this policy.
- C) The private investors will be provided additional incentives for the development of logistics facilities in such zones as per the provisions of this policy (Chapter 9).
- D) The State Government will also promote development of external infrastructure in these areas including road connectivity, power supply and other basic amenities in the areas falling under the notified designated Logistics Zones.

#### 8.5. Incentive Scheme

The Policy provides attractive subsidies and incentives to the logistics infrastructure which are categorised in 3-heads, viz.

- 1) Storage facilities such as Warehouses, Silos, Cold Chain Facility;
- 2) Logistics Parks and Dry ports including Multi modal parks, Inland Container Depots, Container Freight Stations and Air Freight Stations; and
- 3) Other facilities like Truck lay bays, Private Freight Terminals, Berthing terminals and Inland Vessels.

The eligible projects as defined in this policy will be primarily provided front end and back end subsidies, wherein –

- The Front end subsidies include exemptions/ concession which shall be allowed to the eligible projects as defined in this policy before commencement of commercial operations. Such projects will have to register with the Nodal Agency who will subsequently issue a Unique ID after verifying the relevancy and completeness of the application. Letter of Comfort (LoC) will not be compulsory for availing these incentives at this stage. However, the applicants will have to obtain the Letter of Comfort (LoC) at a later stage.
- In case, eventually the application for sanction of LoC is rejected or the project is not completed within the eligible investment period as defined in the policy or violates any provisions of the policy, the front end incentives provided to the applicant as exemptions/ concession shall be recovered through the Bank Guarantee submitted by the applicant.
- The Back end subsidies as listed in this policy for respective eligible projects shall be provided only after project completion and commencement of commercial operations. Such benefits will only be provided to the eligible projects to whom the Letter of Comfort (LoC) has been sanctioned by the Nodal Agency.

## 9. Incentive Scheme

### 9.1. Storage facilities

#### 9.1.1. Key definitions

1. Effective Date means the date from which this Policy becomes effective.
2. Effective Period means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government .
3. Cut off date means the Date of Commencement of Investment of the project in case investment starts on or after Effective Date of the Policy. In case, the investment commences prior to the Effective Date, the cut -off date will be the Effective Date of the policy. However, in case only land is acquired prior to the Effective Date, the date on which the first investment towards any of the other heads (except Land) defined under Capital investment is made on or after the Effective Date will be considered as Cut-off Date. However, the cut off cannot be beyond the effective period of the policy.
4. Eligible Storage facility project means following facilities set up in the State of Uttar Pradesh –
  - i. Warehouse including go-downs developed over minimum area of 1lakh sq.ft and minimum Capital Investment of INR 20 Crores as defined in this policy

- ii. Silo developed over minimum area of 4 -acres and minimum Capital Investment of INR 30 Crores as defined in this policy
  - iii. Cold Chain Facility developed over minimum area of 20,000sq .ft and minimum Capital Investment of INR 15 Crores as defined in this policy
5. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non -Government Organization (NGO), Limited Liability Partner ship (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.
  6. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as 'operator'.
  7. Capital investment for any eligible Warehouse or Silo or Cold Chain Facility project means investment made in land, building, handling equipment, utilities, tools and equipment and other such assets including investment in development of infrastructure facilities, including following costs -

Land	<p>The actual purchase price as per the registered document of the land shall be considered as the cost of land for the project (excluding Stamp duty &amp; registration fees paid). In case, the land is allotted by U.P. State Industrial Development Corporation (UPSIDA) or any other State Govt Agency, the actual allotment price paid shall be considered as the cost of land (excluding Stamp duty &amp; registration fees paid).</p> <p><u>Note:</u> A maximum of 40% of Total Capital Investment (which includes the actual land price, total cost of building, other construction, Equipment &amp; Installations, and Infrastructure facilities as defined in this policy) will be taken into account as total Land component for the purpose of arriving at the Capital Investment.</p>
Building	<p>Building means any new building constructed for the project, or the acquisition of a new and unused building for the project, including administrative building.</p> <p>This includes cost of new buildings constructed primarily for commodity storage and handling, including building space for installing cargo handling equipment, vehicle loading ramps, cross docking facilities, and loading &amp; unloading structures.</p> <p>Building will also include cost of compound developed for Testing and R&amp;D facilities (if any), and other buildings related to storage and logistics operation, shall be considered as per the actual expenditure incurred.</p> <p>No cost incurred on acquisition of old building or the expenditure incurred on repairing a building, will be considered.</p>
Other	Other construction means construction such as compound wall

construction	and gates, security cabins, internal roads, bore well, water tanks, internal pipeline network for water and gas, and other related constructions.
Equipment & Installations	<p>Equipment &amp; Installation means cost of acquiring any new indigenous/imported equipment or machinery for storage and logistics operations, including cost of transportation, foundation, erection, installation and electrification.</p> <p>The electrification cost will include the cost of sub-station and transformer. Such other tools and equipment, which are helpful for storage and logistics operations including loading/ unloading, shall also be included.</p> <p>Equipment &amp; Installations may also include:</p> <ol style="list-style-type: none"> <li>1. Vehicles used for transportation only within the premises of project and cargo handling equipment used exclusively in transporting goods within such premises.</li> <li>2. Equipment for generation of non-conventional energy.</li> <li>3. Equipment for captive power generation.</li> <li>4. Equipment for pollution control measures</li> <li>5. Equipment for waste management</li> <li>6. Smart Logistics Equipment for efficient operations including robotics and automation in cargo handling</li> <li>7. Testing and R&amp;D equipment (if any)</li> </ol>
Infrastructure facilities	Cost of development of basic amenities such as new roads, sewer lines, water drainage, power lines, and other infrastructure (including such other facilities essential for operation of unit), rail lines/ sidings (for captive use only) which link the enterprise's premises with the main infrastructure trunk lines.

8. Ineligible Capital Investment includes Working capital; Goodwill; Preliminary and pre-operative expenses; Interest capitalized; Expenses capitalized in the books for acquisition of technology/ technical know-how; consultancy charges; royalty; design and drawings; patents, licenses, software and intellectual property rights and Power generation except for captive use. Such heads shall not be considered for calculating the capital investment.
9. Eligible Investment period (EIP) means the period for completing investment by any eligible Warehouse/ Silo/ Cold Chain Facility project as defined in the policy. EIP shall be the period commencing from first date of investment falling in the effective period upto 3 years or till the date of commencement of commercial operations, whichever is earlier
10. Eligible Capital Investment (ECI) means Capital Investment made during eligible investment period as defined in the policy.
  - a. In case, Capital Investment has been initiated prior to the Effective Date, at least 80% of Capital Investment should have been made after Effective Date during the eligible investment period and the same

Capital Investment will be considered as the Eligible Capital Investment for determining admissible total incentives.

- b. However, in case, investment in land is made prior to the Effective date, such investment in land shall not be eligible for any incentives but valuation of such land on book value shall be considered for determining the eligibility of the projects.

11. Nodal Agency means UPSIDA which will be responsible for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy

### 9.1.2. Incentives

#### (A) Front end subsidies

Sl	Head	Incentive
1	Stamp Duty exemption	<p>Exemption of Stamp duty on land purchased or taken on lease (for a period of atleast 10years) shall be provided at following rates:</p> <ul style="list-style-type: none"> <li>• 100% in Bundelkhand and Poorvanchal region and region covered under 'Taj Trapezium Zone'</li> <li>• 75% exemption in Madhyanchal and Paschimanchal (except Gautambuddha Nagar &amp; Ghaziabad)</li> <li>• 50% exemption in Gautambuddha Nagar &amp; Ghaziabad</li> </ul> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to Stamp &amp; Registration Department, which shall be released on commencement of commercial operations within the admissible period.</p>
2	Concession on Land use conversion charges	<p>75% of Land Use conversion charges shall be waived off</p> <p>The Concession shall be provided on submission of Bank Guarantee of equivalent amount of the concession to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
3	Exemption in Development Charges	<p>75% of the development Charges shall be exempted</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
4	Ground Coverage	<p>Such standalone storage facilities will be allowed Ground Coverage upto 60%</p>
<p><u>Note:</u> The exemptions/ concession as per above shall be provided by the relevant department only on verification of the unique ID issued by the Nodal Agency and will communicate the details to the Nodal Agency.</p>		



## (B) Back end subsidies:

Sl	Project	Incentive
1	Capital Subsidy	Capital Subsidy to Warehouses/ Silos/ Cold Chain Facility shall be provided at the rate of 15% of Eligible Capital Investment subject to - <ul style="list-style-type: none"> <li>• maximum INR 5 crores for setting up such facilities anywhere in the State;</li> <li>• maximum INR 10 Crores for setting up such facilities in the designated Logistics Zones (As per Para 8. 4)</li> </ul> <u>Note:</u> To be paid one time post commencement of commercial operations
2	Electricity Duty Exemption	Exemption of Electricity Duty shall be provided at the rate of 100% for a period of 10years
3	Quality Certification cost reimbursement	Quality Certification cost reimbursement shall be provided at the rate of 50% of cost paid upto maximum INR 5 lakh per project <u>Note:</u> To be paid one time post commencement of commercial operations
4	Skill Development Subsidy	Skill Development subsidy shall be provided as reimbursement of stipend @INR1000 per trainee per month for 6months up to maximum 50trainees per annum for 5years per project
<p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1) Sum of all benefits including exemptions provided to any project shall not exceed 100% of eligible capital investment as defined under the policy.</li> <li>2) Towards this, the reimbursements shall be done to any project post commencement of commercial operations and evaluation of exemptions availed by the applicant against the unique ids issued by the Nodal Agency (if any)</li> <li>3) Projects benefited under this policy will be eligible to get admissible benefits of Govt. of India's Plan Agriculture Infrastructure fund.</li> </ol>		

## 9.2. Dry ports

### 9.2.1. Key definitions

1. **Effective Date** means the date from which this Policy becomes effective.
2. **Effective Period** means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government .
3. **Cut off date** means the Date of Commencement of Investment of the project in case investment starts on or after Effective Date of the Policy. In case, the investment commences prior to the Effective Date, the cut -off date will be the Effective Date of the policy. However, in case only land is acquired prior to the Effective Date, the date on which the first investment towards any of the

other heads (except Land) defined under Capital investment is made on or after the Effective Date will be considered as Cut-off Date. However, the cut off cannot be beyond the effective period of the policy.

4. Eligible Dry port project means following facilities set up in the State of Uttar Pradesh –
  - i. Inland Container Depot (ICD) developed on minimum area of 10 acres and minimum capital investment of INR 50 Crores having such fixed installations or otherwise, equipment, machinery etc. providing services for handling and/or clearance of laden import/ export containers, under customs control and with storage facility for customs bonded or non - bonded cargo. Such projects should provide infrastructure facilities including internal road connectivity, customs/non -customs bonded warehousing, truck terminals and other common user facilities required to carry out efficient operations.
  - ii. Container Freight Stations (CFS) including Air Freight Stations (AFS) developed as dry-port / airport facility over minimum area of 10 acres and minimum capital investment of INR 50 Crores having fixed installations or otherwise, equipment, machinery etc. Providing services for handling / clearance of laden import, export containers under customs control and with storage facility for customs bonded or non -bonded cargo, parking area & such other facilities desired to carry out the operations. Such projects should provide infrastructure facilities including internal road connectivity, railway sidings , customs/non -customs bonded warehousing, truck terminals and other common user facilities required to carry out efficient operations.
5. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non-Government Organization (NGO), Limited Liability Partnership (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.
6. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as ‘operator’
7. Capital investment for any ICD/ CFS/ AFS means investment made in land, building, handling equipment, utilities, tools and equipment and other such assets including investment in development of infrastructure facilities, including following costs –

Land	The actual purchase price as per the registered document of the land shall be considered as the cost of land for the project (excluding Stamp duty & registration fees paid). In case, the land is allotted by U.P. State Industrial Development Corporation (UPSIDA) or any other State Govt Agency, the
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	<p>actual allotment price paid shall be considered as the cost of land (excluding Stamp duty &amp; registration fees paid).</p> <p><u>Note:</u> A maximum of 40% of Total Capital Investment (which includes the actual land price, total cost of building, other construction, Equipment &amp; Installations, and Infrastructure facilities as defined in this policy) will be taken into account as total Land component for the purpose of arriving at the Capital Investment.</p>
Building	<p>Building means a new building constructed for the project, or the acquisition of a new and unused building for the project, including administrative building.</p> <p>The cost of new buildings constructed for the following shall be considered as per the actual expenditure incurred –</p> <ul style="list-style-type: none"> <li>• Intermodal freight transfer, Cargo movement and Transportation including vehicle service area (excluding parking area, resting spaces)</li> <li>• Installation of material handling equipment</li> <li>• Value added services such as packaging, Re-packaging, Processing and Re-processing</li> <li>• Commodity Storage facilities including bonded storage, and EXIM clearance services including Custom clearance services and quarantine zones</li> <li>• Testing facilities and R&amp;D facilities (if any)</li> <li>• Any other buildings related to logistics operation</li> <li>• Office spaces for logistics service providers, transporters and administration</li> </ul> <p>No cost incurred on acquisition of old building or the expenditure incurred on repairing a building, will be considered.</p>
Other construction	<p>Other construction means construction such as compound wall and gates, security cabins, internal roads, bore well, water tanks, internal pipeline network for water and gas, and other related constructions.</p>
Equipment & Installations	<p>Equipment &amp; Installation means cost of acquiring any new indigenous/imported equipment or machinery for logistics operations, including cost of transportation, foundation, erection, installation and electrification.</p> <p>The electrification cost will include the cost of sub-station and transformer. Such other tools and equipment, which are helpful for logistics operations including loading/ unloading, shall also be included.</p> <p>Equipment &amp; Installations may also include:</p> <ol style="list-style-type: none"> <li>1. Vehicles used for transportation only within the premises of project and material handling equipment used exclusively in transporting goods within such premises.</li> <li>2. Equipment for generation of non-conventional energy.</li> <li>3. Equipment for captive power generation.</li> <li>4. Equipment for pollution control measures</li> </ol>

	<p>5. Equipment for waste management</p> <p>6. Smart Logistics Equipment for efficient operations including robotics and automation in material handling</p> <p>7. Testing and R&amp;D equipment (if any)</p>
Infrastructure facilities	Such facilities including internal roads, sewer lines, water drainage, power lines, infrastructure (including such other facilities essential for operation of unit), rail lines/ sidings (for captive use only) which link the enterprise's premises with the main infrastructure trunk lines.

8. Ineligible Capital Investment includes Working capital; Goodwill; Preliminary and pre-operative expenses; Interest capitalized; Expenses capitalized in the books for acquisition of technology/ technical know-how; consultancy charges; royalty; design and drawings; patents, licenses, software and intellectual property rights and Power generation except for captive use. Such heads shall not be considered for calculating the capital investment.
9. Eligible Investment period (EIP) means the period for completing investment by any eligible ICD/ CFS/ AFS project as defined in the policy. EIP shall be the period commencing from first date of investment falling in the effective period upto 5 years or till the date of commencement of commercial operations, whichever is earlier
10. Eligible Capital Investment (ECI) means Capital Investment made during eligible investment period as defined in the policy.
  - a. In case, Capital Investment has been initiated prior to the Effective Date, at least 80% of Capital Investment should have been made after Effective Date during the eligible investment period and the same Capital Investment will be considered as the Eligible Capital Investment for determining admissible total incentives.
  - b. However, in case, investment in land is made prior to the Effective date, such investment in land shall not be eligible for any incentives but valuation of such land on book value shall be considered for determining the eligibility of the projects.
11. Nodal Agency means UPSIDA which will be responsible for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy .

## 9.2.2. Incentives

### (A) Front end subsidies:

Sl	Head	Incentive
1	Stamp Duty exemption	<p>Exemption of Stamp Duty shall be provided on land purchased or taken on lease (for a period of atleast 10years) at the rate of 100% for setting up ICD/ CFS/ AFS project anywhere in the State</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to Stamp &amp; Registration Department, which shall be released on commencement of commercial operations within the admissible period.</p>
2	Concession of Land use conversion charges	<p>75% of the Land use conversion charges shall be waived off</p> <p>The Concession shall be provided on submission of Bank Guarantee of equivalent amount of the concession to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
3	Exemption in Development Charges	<p>75% of the Development Charges shall be exempted</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
4	Ground Coverage	Standalone ICD/ CFS/ AFS project will be allowed Ground Coverage upto 60%
<p><u>Note:</u> The exemptions/ concession as per above shall be provided by the relevant department only on verification of the unique ID issued by the Nodal Agency and will communicate the details to the Nodal Agency.</p>		

### (B) Back end subsidies:

Sl	Project	Incentive
1	Capital Subsidy	<p>Capital Subsidy at the rate of 25% of Eligible Capital Investment shall be provided to ICD/ CFS/ AFS subject to:</p> <ul style="list-style-type: none"> <li>• maximum INR 25 Crores for setting up the project anywhere in the State;</li> <li>• maximum INR 50 Crores for setting up the projects in the designated Logistics Zones (As per Para 8. 4.)</li> </ul> <p><u>Note:</u> 75% of the above incentives will be provided in four instalments based on expenditure incurred at 25%, 50%, 75% and 100% of total project cost. The next 10% will be provided on completion of allotment of land to all the units in the park and the final 15% will be released after 80% of the units start their commercial operations.</p>

2	Electricity Duty Exemption	Exemption of Electricity Duty shall be provided at the rate of 100% for a period of 10years
3	Skill Development	Skill Development subsidy shall be provided as reimbursement of stipend at the rate of INR 1000 per trainee per month for 6months up to maximum 50 trainees per annum for 5years per project
<p>Note:</p> <p>1) Sum of all benefits including exemptions provided to any project shall not exceed 100%of eligible capital investment as defined under the policy.</p> <p>2) Towards this, the reimbursements shall be provided to any project post commencement of commercial operations and evaluation of exemptions availed by the applicant against the unique ids issued by the Nodal Agency (if any)</p>		

### 9.3. Logistics Park

#### 9.3.1. Key definitions

1. **Effective Date** means the date from which this Policy becomes effective.
2. **Effective Period** means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government.
3. **Cut off date** means the Date of Commencement of Investment of the project in case investment starts on or after Effective Date of the Policy. In case, the investment commences prior to the Effective Date, the cut -off date will be the Effective Date of the policy. However, in case only land is acquired prior to the Effective Date, the date on which the first investment towards any of the other heads (except Land) defined under Capital investment is made on or after the Effective Date will be considered as Cut -off Date. However, the cut off cannot be beyond the effective period of the policy.
4. **Eligible Logistics Park project** means those projects developed on atleast 25 acres of land in the State providing the following facilities (indicative) –
  - i. Logistics facilities such as cargo aggregation/ segregation, sorting, grading, packaging/ repackaging, tagging/ labelling, distribution/ consumer distribution, inter -modal transfer of cargo and containers, open and/ or closed storage, temperature controlled and/ or ambient storage, custom bonded warehouse, container freight stations, container terminals, material handling equipment and other logistics related facilities for handling and movement goods.
  - ii. Infrastructure facilities such as internal roads, internal public transportation, power lines, feeder, communication facilities, open and green spaces, water distribution and water augmentation facilities, sewage and drainage lines, effluent treatment and disposal facilities, fire tender arrangements and other facilities as per the requirements.

- iii. Business & Commercial facilities such as Dormitories, Guest Houses, Canteen, Health Centres and Dispensary, Petrol Pump and EV Charging Station, Banking and Finance, Office Space and Administrative Office.
  - iv. Common Facilities such as Weight Bridge, Skill Development Centre, Computer Centre, Sub contract exchange, Container Freight Station, Production Inspection Centre, Repair shop for vehicles and production machinery.
5. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non -Government Organization (NGO), Limited Liability Partnership (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.
  6. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as 'operator'
  7. Capital investment for any Logistics Park means investment made in land, building, handling equipment, utilities, tools and equipment and other such assets including investment in development of infrastructure facilities, including following costs –

Land	<p>The actual purchase price as per the registered document of the land shall be considered as the cost of land for the project (excluding Stamp duty &amp; registration fees paid). In case, the land is allotted by U.P. State Industrial Development Corporation (UPSIDA) or any other State Govt Agency, the actual allotment price paid shall be considered as the cost of land (excluding Stamp duty &amp; registration fees paid).</p> <p><u>Note:</u> A maximum of 40% of Total Capital Investment (which includes the actual land price, total cost of building, other construction, Equipment &amp; Installations, and Infrastructure facilities as defined in this policy) will be taken into account as total Land component for the purpose of arriving at the Capital Investment.</p>
Building	<p>Building means a new building constructed for the project, or the acquisition of a new and unused building for the project, including administrative building.</p> <p>The cost of new buildings constructed for the following shall be considered as per the actual expenditure incurred –</p> <ul style="list-style-type: none"> <li>• Intermodal freight transfer, Cargo aggregation/ segregation and movement area</li> <li>• Transportation area including vehicle service area (excluding parking area, resting spaces)</li> <li>• Value added services such as packaging, Re-packaging, Processing and Re-processing</li> </ul>

	<ul style="list-style-type: none"> <li>• Commodity Storage facilities including bonded storage, Open/ closed storage &amp; Temperature controlled storage</li> <li>• EXIM clearance services including Custom clearance services and quarantine zones</li> <li>• Compound for Testing facilities &amp; R&amp;D facilities (if any)</li> <li>• Any other buildings related to logistics operation</li> <li>• Administrative and office spaces for logistics service providers, transporters and administration</li> <li>• Commercial buildings including dormitories, guest houses, canteen, health centres and dispensary, petrol pump and EV Charging Station, banking and finance.</li> <li>• Compounds for common facilities including Weigh Bridge, Skill Development Centre, Computer Centre, Sub contract exchange, Container Freight Station, Production Inspection Centre, Repair shop for vehicles and production machinery.</li> </ul> <p>No cost incurred on acquisition of old building or the expenditure incurred on repairing a building, will be considered.</p>
Other construction	<p>Other construction means construction such as compound wall and gates, security cabins, internal roads, bore well, water tanks, internal pipeline network for water and gas, and other related constructions.</p>
Equipment & Installations	<p>Equipment &amp; Installation means cost of acquiring any new indigenous/imported equipment or machinery for logistics operations, including cost of transportation, foundation, erection, installation and electrification.</p> <p>Such other tools and equipment, which are helpful for logistics operations including loading/ un-loading, cargo aggregation/ segregation, container freight stations, container terminals, material handling equipment and other logistics related facilities for handling and movement goods shall also be included. The electrification cost will include the cost of sub-station and transformer.</p> <p>Equipment &amp; Installations may also include:</p> <ol style="list-style-type: none"> <li>1. Vehicles used for transportation only within the premises of project and material handling equipment used exclusively in transporting goods within such premises.</li> <li>2. Equipment for generation of non-conventional energy.</li> <li>3. Equipment for captive power generation.</li> <li>4. Equipment for pollution control measures</li> <li>5. Equipment for waste management</li> <li>6. Smart Logistics Equipment for efficient operations including robotics and automation in material handling</li> <li>7. Testing and R&amp;D equipment (if any)</li> </ol>
Infrastructure	<p>Such facilities including internal roads, internal public transportation, power lines, feeder, communication facilities,</p>



facilities	open and green spaces, water distribution and water augmentation facilities, sewage and drainage lines, effluent treatment and disposal facilities, fire tender arrangements and other facilities essential for operation of project, including rail lines/ sidings which link the enterprise's premises with the main infrastructure trunk lines shall be included.
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8. Ineligible Capital Investment includes Working capital; Goodwill; Preliminary and pre-operative expenses; Interest capitalized; Expenses capitalized in the books for acquisition of technology/ technical know-how; consultancy charges; royalty; design and drawings; patents, licenses, software and intellectual property rights and Power generation except for captive use. Such heads shall not be considered for calculating the capital investment.
9. Eligible Investment period (EIP) means the period for completing investment by any eligible Logistics Park project as defined in the policy. EIP shall be the period commencing from first date of investment falling in the effective period upto 5 years or till the date of commencement of commercial operations, whichever is earlier
10. Eligible Capital Investment (ECI) means Capital Investment made during eligible investment period as defined in the policy.
  - a. In case, Capital Investment has been initiated prior to the Effective Date, at least 80% of Capital Investment should have been made after Effective Date during the eligible investment period and the same Capital Investment will be considered as the Eligible Capital Investment for determining admissible total incentives.
  - b. However, in case, investment in land is made prior to the Effective date, such investment in land shall not be eligible for any incentives but valuation of such land on book value shall be considered for determining the eligibility of the projects.
11. Nodal Agency means UPSIDA, which will be responsible for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy

### 9.3.2. Incentives

#### (A) Front end subsidies:

Sl	Head	Incentive
1	Stamp Duty exemption	<p>Exemption of Stamp Duty shall be provided on land purchased or taken on lease (for a period of atleast 10years) at the rate of 100% for setting up Logistics Park anywhere in the State</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to Stamp &amp; Registration Department, which shall be released on commencement of commercial operations within the admissible period.</p>
2	Concession of Land use conversion charges	<p>75% of the Land use conversion charges shall be waived off</p> <p>The Concession shall be provided on submission of Bank Guarantee of equivalent amount of the concession to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
3	Exemption in Development Charges	<p>75% of the Development Charges shall be exempted</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
4	Ground Coverage	<p>A Logistics Park project will be allowed overall Ground Coverage of 60% subject to setback and fire safety and other FSI regulations.</p>
5	Other facilities	<ol style="list-style-type: none"> <li>1) The Logistics Park will be allowed to use maximum 30% of the total land area for providing other non -logistics services, i.e. commercial and common facilities (as defined in Para 9.3.1 (4) iii, iv)</li> <li>2) The Logistics Park will be allowed FSI of 1 for 'Logistics facilities' (as defined in Para 9.3.1 (4)( i)), and FSI upto 1.5 for other non -logistics facilities i.e. commercial and common facilities (as defined in Para 9.3.1 (4) iii, iv).</li> <li>3) Floating FSI shall not be permissible from the area of 'Logistics facilities' to the area of non -logistics facilities (as per Para 9.3.1 (4) iii, iv) or vice versa, but floating of FSI will be permitted within the respective areas of 'logistics facilities' and 'non logistics facilities'.</li> <li>4) Floating FSI means to use the unused FSI means to use in a project to another buildin g. Admissible FSI either in logistics or non-logistics may be used only in identical section. Remaining FSI of one section can not be used in another sector.</li> </ol>

**Note:** The exemptions/ concession as per above shall be provided by the relevant department only on verification of the unique ID issued by the Nodal Agency and will communicate the details to the Nodal Agency.

(B) Back end subsidies:

Sl	Project	Incentive
1	Capital Subsidy	<p>Capital Subsidy at the rate of 25% of Eligible Capital Investment shall be provided to the developers of Logistics Park subject to:</p> <ul style="list-style-type: none"> <li>• maximum INR 25 Crores for setting up the project anywhere in the State;</li> <li>• maximum INR 50 Crores for setting up the projects in the designated Logistics Zones (As per Para 8. 4.)</li> </ul> <p><u>Note:</u> 75% of the above incentives will be provided in four instalments based on expenditure incurred at 25%, 50%, 75% and 100% of total project cost. The next 10% will be provided on completion of allotment of land to all the units in the park and the final 15% will be released after 80% of the units start their commercial operations.</p>
2	Electricity Duty Exemption	Exemption of Electricity Duty shall be provided at the rate of 100% for a period of 10years
3	Skill Development	Skill Development subsidy shall be provided as reimbursement of stipend at the rate of INR 1000 per trainee per month for 6months up to maximum 50 trainees per annum for 5years per Park
<p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1) Sum of all benefits including exemptions provided to any project shall not exceed 100% of eligible capital investment as defined under the policy.</li> <li>2) Towards this, the reimbursements shall be provided to any project post commencement of commercial operations and evaluation of exemptions availed by the applicant against the unique ids issued by the Nodal Agency (if any)</li> </ol>		

## 9.4. Inland Waterway facility

### 9.4.1. Berthing Terminal

1. **Effective Date** means the date from which this Policy becomes effective.
2. **Effective Period** means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government.
3. **Cut off date** means the Date of Commencement of Investment of the project in case investment starts on or after Effective Date of the Policy. In case, the investment commences prior to the Effective Date, the cut -off date will be the

Effective Date of the policy. However, in case only land is acquired prior to the Effective Date, the date on which the first investment towards any of the other heads (except Land) defined under Capital investment is made on or after the Effective Date will be considered as Cut -off Date. However, the cut off cannot be beyond the effective period of the policy.

4. Berthing Terminal means any terminal built along the National Waterway -1 in the State as common user facility (non -captive use) to facilitate unloading or loading of cargo Inland vessels with minimum cargo handling capacity of 5000 tonnes and minimum Capital Investment (except land cost) of INR 20 Crores
5. Capital investment for eligible berthing terminal means cost of development of such berthing terminal including investment made in building, procurement and installation of handling equipment, utilities, tools and equipment and other fixed assets for operating the terminal developed in the State including investment in development of infrastructure facilities (except land cost).
6. Ineligible Capital Investment includes Working capital; Goodwill; Preliminary and pre-operative expenses; Interest capitalized; Expenses capitalized in the books for acquisition of technology/ technical know -how; consultancy charges; royalty; design and drawings; patents, licenses, software and intellectual property rights and Power generation except for captive use. Such heads shall not be considered for calculating the capital investment.
7. Eligible Investment Period (EIP) means the period for completing investment for developing the eligible project as defined in the policy. EIP shall be the period commencing from the first date of investment falling in the effective period upto 5 years or till the date of commencement of commercial operations, whichever is earlier
8. Eligible Capital Investment (ECI) means Capital Investment made during eligible investment period as defined in the policy.
  - a. In case, Capital Investment has been initiated prior to the Effective Date, at least 80% of Capital Investment should have been made after Effective Date during the eligible investment period and the same Capital Investment will be considered as the Eligible Capital Investment for determining admissible total incentives.
  - b. However, in case, investment in land is made prior to the Effective date, such investment in land shall not be eligible for any incentives but valuation of such land on book value shall be considered for determining the eligibility of the projects.
9. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non -Government Organization (NGO), Limited Liability Partnership (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.
10. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business

operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as 'operator'

11. Nodal Agency means the agency as designated by the State Government subsequently through an order for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy.

12. Incentives

- A) State Government shall promote investments for setting up berthing terminals along the catchment area of the upcoming National Waterway-1 in Uttar Pradesh. The State Government shall provide land for the development of such facilities through a designated Nodal Agency.
- B) Such land will be provided on PPP basis for a period of maximum 30 years on Build Own Operate Transfer (BOOT) model for the development & operations of maximum 6 such projects in phase-1. Bidding parameter for selection of developers of such terminals shall be based on the minimum concession period.
- C) The ownership of the project including land and all the other infrastructure developed will be transferred to the State Government after the end of the concession period. Detailed guidelines in this regard shall be issued separately.
- D) The developers of such berthing terminals will be provided Capital Subsidy at the rate of 20% on the eligible capital investment as defined under this policy for the development of such terminals, subject to maximum INR 15 Crores. This subsidy shall be disbursed in 3 annual instalments post completion of the project.
- E) Such facilities shall be included under PM Gati Shakti Masterplan for the State for timely planning, monitoring and review for infrastructure development.

Note:

- i. The locations for providing land shall be decided by the Empowered Committee (EC) set up under this policy on the recommendations of the designated nodal agency through stakeholder consultation.
- ii. The maximum number of projects may be increased on the recommendations of the designated nodal agency by the High Level Empowered Committee (HLEC) set up under this policy. The HLEC may also decide on the development of such new Berthing Terminals and providing incentives as per this policy on other waterways located in the State.

### 9.4.2. Inland Vessel

1. Inland Vessel means any 'vessels' registered in the State under the Inland Vessels Act, 2021 with minimum capacity of 500 tonnes for operations in the catchment area of the upcoming National Waterway -1 falling in the State
2. Purchase Subsidy for purchasing Inland Vessels as defined above for operations in the State along National Waterway -1 will be provided through the manufacturers such vessels. Such subsidy will be provided at the rate 25% of the actual purchase cost, subject to maximum INR 5 Crores per vessel.
3. The Subsidy shall be provided to first 10 inland vessels purchased during the effective period of the policy, subject to maximum purchase of 4 vessels per entity.
4. Nodal Agency means the agency as designated by the State Government subsequently through an order for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy.

Note: The maximum number of projects may be increased on the recommendations of the designated nodal agency by the High Level Empowered Committee (HLEC) set up under this policy. The HLEC may also decide on providing incentives to Inland Vessels as defined in this policy on other waterways located in the State.

## 9.5. Cargo Terminals

### 9.5.1. Key terminologies

1. Effective Date means the date from which this Policy becomes effective.
2. Effective Period means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government.
3. Cut off date means the Date of Commencement of Investment of the project in case investment starts on or after Effective Date of the Policy. In case, the investment commences prior to the Effective Date, the cut-off date will be the Effective Date of the policy. However, in case only land is acquired prior to the Effective Date, the date on which the first investment towards any of the other heads (except Land) defined under Capital investment is made on or after the Effective Date will be considered as Cut-off Date. However, the cut off cannot be beyond the effective period of the policy.
4. Eligible Cargo Terminal project including Private Sidings or Freight Terminals means 2-types of projects, as follows -

- i. Projects approved under Gati Shakti Scheme: Only greenfield Cargo Terminal (including Private Sidings or Private Freight Terminals) set up in the State and approved under Government of India's Gati Shakti Multi Modal Cargo Terminal (GCT) Scheme 2021 issued vide G.O 2021/ TC (FM)/ 18/ 23 dated 15.12.2021 during the effective period of this policy
  - ii. Projects other than those approved under Gati Shakti Scheme: Only greenfield Cargo Terminal (including Private Sidings or Private Freight Terminals) developed as common user facility (not captive use) in the State over minimum 10 acres of land area with minimum capital investment (except land cost) of INR 200 Crores
5. Capital investment for both projects approved under Gati Shakti Scheme and other than GCT-approved projects cost means the cost of development of greenfield Cargo terminal approved under Gol's GCT Scheme 2021 borne by the GCT Operator or any other developer from the take off point onwards at the serving station, excluding land cost, cost of development of loop-line and other capital costs borne by Indian Railways (as per Section 5 of Gol's Gati Shakti Multi Modal Cargo Terminal (GCT) Scheme 2021) or capital costs borne by any other Central/ State Government Department/Agency.
6. Ineligible Capital Investment includes Working capital; Goodwill; Preliminary and pre-operative expenses; Interest capitalized; Expenses capitalized in the books for acquisition of technology/ technical know-how; consultancy charges; royalty; design and drawings; patents, licenses, software and intellectual property rights and Power generation except for captive use. Such heads shall not be considered for calculating the capital investment.
7. Eligible Investment Period (EIP) means the period for completing investment for developing the eligible project as defined in the policy. EIP shall be the period commencing from the first date of investment falling in the effective period upto 5 years or till the date of commencement of commercial operations, whichever is earlier
8. Eligible Capital Investment (ECI) means Capital Investment made during eligible investment period as defined in the policy.
  - a. In case, Capital Investment has been initiated prior to the Effective Date, at least 80% of Capital Investment should have been made after Effective Date during the eligible investment period and the same Capital Investment will be considered as the Eligible Capital Investment for determining admissible total incentives.
  - b. However, in case, investment in land is made prior to the Effective date, such investment in land shall not be eligible for any incentives but valuation of such land on book value shall be considered for determining the eligibility of the projects.
9. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non-Government Organization (NGO), Limited Liability Partnership (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.

10. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as 'operator'
11. Nodal Agency means the agency as designated by the State Government subsequently through an order for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy.

#### 9.5.2. Incentives

1. State Government through the designated Nodal Agency for Cargo terminals shall provide land (except railway land) to the GCT operators approved under PM Gati Shakti Cargo Terminal Scheme 2021 or developers of non -GCT approved Cargo Terminals through a designated Nodal Agency .
2. Such land will be provided on PPP basis for a period of maximum 30 years on Build Own Operate Transfer (BOOT) model for the development and operations of maximum 25 such projects in phase-1. Bidding parameter for selection of developers of such terminals shall be based on the minimum concession period.
3. The ownership of the project including land and all the other infrastructure developed will be transferred to the State Government after the end of the concession period. Detailed guidelines in this regard shall be issued separately.
4. All the cost of development of loop -line shall be borne by the State Government.
5. The developers of such terminals will be provided Capital Subsidy at the rate of 20% on the Eligible Capital Investment as defined under this policy for the development of such terminals , subject to maximum INR 15 Crores. This subsidy shall be disbursed in 3 annual instalments post completion of the project.
6. Exemption of Re -royalty payment on Storage of Materials levied on the storage of material used for the development and operations of such berthing terminal both inbound and outbound under the State Mining Act.
7. Such facilities shall be included under PM Gati Shakti Masterplan for the State for timely planning, monitoring and review for infrastructure development.

#### Note:

- i. The locations for providing land shall be decided by the Empowered Committee (EC) set up under this policy on the recommendations of the designated nodal agency through stakeholder consultation.



- ii. The maximum number of projects may be increased on the recommendations of the designated nodal agency by the High Level Empowered Committee (HLEC) set up under this policy .

## 9.6. Truckers Park

### 9.6.1. Key terminologies

1. Effective Date means the date from which this Policy becomes effective.
2. Effective Period means the period starting from the Effective Date till the period for which this Policy remains in force (5 years) or until any amendment or repeal thereof by the State Government.
3. Eligible Trucker Park project means any truck lay bays and parking cum resting space developed over at least 10 acres of land in the State within a distance upto 2kms on either side of any national highways/ expressways/ state highways or any other prominent freight routes. These parks should have minimum 85% parking space with circulation area and remaining 15% space reserved for resting and commercial activities and other allied activities.
4. Developer means any legal entity registered as Proprietorship, Partnership firm, Cooperative Society, Company, Trust, Non -Government Organization (NGO), Limited Liability Partnership (LLP) or SPV created for the purpose of developing the Eligible Project as defined in this policy.
5. Operator means any legal entity to whom the premises of the Eligible Project, as defined in this policy, has been provided on lease/ rent for business operations. The benefits/ incentives sanctioned to any Eligible Project under this policy shall continue to be made available to the developer/ operator of that project as may be applicable. No minimum lease/ rent period shall be necessary for qualifying as 'operator'
6. Nodal Agency means the agency as designated by the State Government subsequently through an order for processing the applications for incentives under the policy and coordinating with various State Departments for facilitating the other benefits extended in the policy.

### 9.6.2. Incentives :

Exemptions/ concession as listed below shall be allowed to the developers of eligible Truckers Park before commencement of commercial operations. Such projects will have to register with the Nodal Agency as may be designated by the State Government who will subsequently issue a Unique after verifying the relevancy and completeness of the application. Letter of Comfort (LoC) will not be compulsory for availing these incentives at this stage. However, the applicants will have to obtain the Letter of Comfort (LoC) at a later stage.

Sl	Head	Incentive
1	Stamp Duty exemption	<p>Exemption of Stamp Duty shall be provided at the rate of 100% for setting up such Truckers Parks anywhere in the State. Such exemption will be provided on purchase of land as well as on allotment done by any Industrial Development Authorities or Development Authorities.</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to Stamp &amp; Registration Department, which shall be released on commencement of commercial operations within the admissible period.</p>
2	Concession of Land use conversion charges	<p>75% of the Land use conversion charges shall be waived off</p> <p>The Concession shall be provided on submission of Bank Guarantee of equivalent amount of the concession to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
3	Exemption in Development Charges	<p>75% of the Development Charges shall be exempted</p> <p>The Exemption shall be provided on submission of Bank Guarantee of equivalent amount of the exemption to the relevant State Authority/ Agency, which shall be released on commencement of commercial operations within the admissible period.</p>
<p><b>Note:</b> The exemptions/ concession as per above shall be provided by the relevant department only on verification of the unique ID issued by the Nodal Agency and will communicate the details to the Nodal Agency.</p>		

## 10. Policy Implementation

### 10.1. Application process

#### A) For Storage facilities, Dry ports and Logistics Parks

- 1) The designated Nodal Agency, i.e. UPSIDA shall administer the implementation of the policy through Online Incentive Management System (OIMS). It will perform the following -
  - a. Coordinate with relevant State Authorities/ Agencies for the facilitation of front -end benefits defined under the policy
  - b. Track the status of applicants who have been issued the 'Unique Id'
  - c. Review & process the applications for 'back end subsidies' as per the Policy
- 2) The Nodal Agency shall appoint a dedicated Nodal Officer for coordinating the review and examination of the back end incentive applications and facilitation of front -end benefits provided in the policy.
- 3) All applications of any kind of incentives (both front end and back end subsidies) as defined under the policy shall be submitted to the designated Nodal Agency i.e. UPSIDA for issuance of a 'Unique Id'. The designated Nodal Officer at UPSIDA shall pursue the following -
  - a. Scrutinize the applications for its completeness and relevancy
  - b. Scrutinize the applications for its errors, inconsistency or irrelevancy
  - c. Communicate any discrepancy or incompleteness in the application and raise query to seek response on such matters from the applicant
  - d. Issue a 'Unique Id' to each complete and relevant application for further incentive management

The applicant will be able to avail the front -end subsidies (exemptions/ concession) as per this Policy. The relevant State deptt/ agency will provide the benefit to the applicant only on verification of the Unique Id.

- 4) A Scrutiny Committee at CEO UPSIDA level shall be set up. Relevant departments and agencies shall be invited to the committee for reviewing the incentive application as per requirement.
- 5) The Nodal Agency will process and after necessary evaluation at the Scrutiny Committee will put up the applications before the Empowered Committee (EC) or High level Empowered Committee (HLEC) as the case may be for sanction of 'Letter of Comfort' or disbursal of incentives.

#### B) For Inland Waterway Facilities, Cargo Terminals and Truckers Park

- 1) The State Government shall appoint a designated Nodal Agency to administer the provisions of this policy for such projects. Such agency shall process the applications for the incentives and coordinate with relevant Central/ State Departments.
- 2) The designated Nodal Agency will have to appoint a dedicated Nodal Officer for coordinating the review and examination of the applications and provide necessary facilitation.

- 3) Also, the Nodal Agency will have to set up an Evaluation Committee with members from relevant Central/ State Departments to review and recommend the application for the sanction of 'Letter of Comfort' or disbursal of incentives to the Empowered Committee (EC) or High Level Empowered Committee (HLEC) as the case may be.

## 10.2. Final recommendation and approval

- 1) For recommending any eligible project as per this policy with capital investment worth upto INR 100 Crores an Empowered Committee (EC) under the Chairmanship of Infrastructure & Industrial Development Commissioner (IIDC) shall be set up through a separate Government order with members from relevant State Departments viz. Housing, Revenue, Finance, Law, Industry, Transport, Planning etc. and head of the Nodal agency as member convenor.
- 2) For recommending any project as per this policy with capital investment worth more than INR 100 Crores a High level Empowered Committee (HLEC) under the chairmanship of Chief Secretary shall be constituted through a separate Government order with members from relevant State Departments viz. Housing, Revenue, Finance, Law, Industry, Transport, Planning etc. and head of the Nodal agency as member convenor.
- 3) After the recommendations of the EC or HLEC, the proposals for issuing the 'Letter of Comfort' as well as the disbursal of the benefits will be presented for final approval –
  - a. Projects with capital investment worth upto INR 100 Crores to the Hon'ble Industry Minister, Government of Uttar Pradesh
  - b. Projects with capital investment worth more than INR 100 Crores to the Hon'ble Cabinet, Government of Uttar Pradesh.

The Nodal Agency shall disburse the sanctioned benefits, in the manner prescribed by Industrial Development Department, Govt. of U.P

## 10.3. Other basic terms and conditions

- 1) This policy shall come into force with effect from the date of its notification and shall remain valid for a period of 5 (five) years or till the declaration of a new or revised policy, whichever is earlier.
- 2) After the notification of this policy, no new application will be entertained under UP Warehousing and Logistics Policy (W&L) 2018. UP W&L Policy 2018 shall stand repealed on the notification of this policy.
  - a) Projects with approved package of incentives under UP W&L Policy 2018 will continue to remain entitled to the benefits. In case of any amendment in the Letter of Comforts already issued to projects under the UP W&L Policy 2018, the amendments will be done as per the conditions laid down in UP W&L Policy 2018
  - b) For cases which are under consideration for sanction of Letter of Comfort for incentives under UP W&L Policy 2018 at UPSIDA, will have a one-time option of either applying under this new policy as per the terms of

- condition laid down under this new Policy or continue to be considered under UP W&L Policy 2018.
- c) Such option will be given to the applications under consideration under UP W&L Policy 2018 for the period of one year from the date of notification of this policy.
- 3) Projects availing a particular incentive under this policy will not be eligible to avail incentives under any other State Government policy/ scheme. All incentives specified in this policy may be availed in addition to incentives available under any Government of India scheme/policy.
- 4) In case of any clarity required on interpretation of this policy, the Empowered Committee (EC) shall be consulted, and recommendations of the EC approved by Hon'ble Industry Minister shall be considered.
- 5) The policy may be amended and modified in the course of implementation on the recommendations of High level Empowered Committee (HLEC) on the approval Hon'ble Cabinet; however, all such amendments and modifications shall be applied prospectively and shall not curtail any benefit or concession already granted under the policy.
- 6) Although other amendments in the policy related to modifying the overall ceiling of incentives and maximum number of admissible projects shall be done on the recommendation of the HLEC and approval of the Hon'ble Chief Minister.
- 7) Standard operating procedures and other modalities for fiscal and non-fiscal incentives and other aspects of the policy will be given in the detailed guidelines notified through a separate Government order for the implementation of this Policy.

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## DISCLAIMER

This 'Uttar Pradesh Warehousing and Logistics Policy 2022' document has been translated from original Hindi purely to facilitate non-Hindi users and for wider reach.

Although utmost care has been taken to ensure the accuracy of translation, yet in case of any differences in interpretation of provisions provide herein, the 'Original' gazetted Hindi version will prevail.

