

# Uttarakhand Logistics Policy 2022 (Draft Version)

## 1.

### **Preamble**

Uttarakhand, located in the foothills of the Himalayan mountain range, is rich in natural resources. The state shares inter-state borders with China (Tibet) in the north, Nepal in the east, Himachal Pradesh in the west and north-west and Uttar Pradesh in the south. Due to its proximity to the National Capital Region, the state has easy access to important markets as well as the availability of raw materials. The state has immense potential for export in organic agricultural products, agro-based and processed food, aromatic and medicinal plant-based products, pharmaceuticals, nutraceuticals and service sectors such as tourism and wellness.

After the formation of Uttarakhand as a new state in the year 2000, as a result of the Special Industrial package sanctioned by the Government of India for the state of Uttarakhand in the year 2003, there has been rapid industrialization in Uttarakhand. By forming the State Infrastructure and Industrial Development Corporation Uttarakhand Ltd., Integrated Industrial Estates with world-class industrial infrastructure facilities were established in the state, as a result of which the reputed industrial houses of the world and the country established their manufacturing units here. The State has also notified a policy for Private Industrial Estates/ Areas with the participation of the private sector in the state. Industry-friendly policies and conducive environment for industrial development have helped Uttarakhand emerge as an attractive investment destination.

The State's Gross Domestic Product (GSDP) has increased from Rs. 1, 77, 163 to Rs. 2, 53, 666 in the year 2015-16 at the rate of 9.48 per cent in the last five years. In the year 2020-21 during COVID, the state's GDP has declined by 4.2%, which is likely to increase from Rs. 2, 43, 012.3 lakh to Rs. 2, 78, 006 lakh in future. Cumulative FDI in Uttarakhand has increased 10 times from Rs.80.7 crores to Rs.918 crores in the last two years (December 2019 - December 2021). During the year 2014-15 to the year 2020-21, India's inclusive negative growth rate in exports from Uttarakhand was estimated at 0.91 percent, relative to which the state has registered a compound annual growth rate of 6.38 percent (US\$ 2.14 billion).

Uttarakhand is one of the top-ranking states of India in the ranking of Ease of Doing Business organized by the Department for Promotion of Industry and Internal Trade under the Business Reform Action Plan 2019-20 in collaboration with the World Bank.

In the Export Preparedness Index 2020 report released by NITI Aayog, Government of India in August 2020, Uttarakhand has been identified as the top performing state in the Himalayan state's category. This has been made possible by the presence of basic export facilities and infrastructure, a conducive trade and export environment as well as good export performance by the state. In the report of the year 2021, the state has maintained its first position among the Himalayan states.

Uttarakhand has been ranked 13<sup>th</sup> in the Logistics Ease Across Different States (LEADS) Index released by the Ministry of Commerce and Industry, Government of India in March 2021. The state being a landlocked state incurs an inherent adverse cost to the state's exporters as compared to other states, because they have to bear high logistics costs in bringing the raw materials to their premises as well as shipping the finished products. Despite these challenges, Uttarakhand has exported goods and services worth about Rs. 15, 915.54 crore during the year 2020-21.

It is the belief of the State Government that the development of infrastructure facilities in the logistics sector is very important to achieve the goal of sustainable and sustainable industrial development in the State. The development of this sector will not only encourage manufacturing and employment generation in the state but will also increase the state's gross domestic product. In the light of the above facts, Uttarakhand Government has decided to promulgate the Uttarakhand Logistics Policy-2022 with the intention of taking maximum benefits for economic and industrial development in view of the strategic geographical location of the state. This policy is being promulgated with the intention of extending its support to the new and existing industries working in the field of logistics in the State, in line with the vision of the Central Government for integrated development of

the logistics sector and the objective of this policy is to reduce the logistics cost. To strengthen the existing logistics infrastructure, generate employment opportunities and increase the ranking of the state in logistics index and attract investment in this sector by providing financial and non-financial support.

## 2. **Definitions**

In order to allow the financial incentives provided in this policy, the logistics park and other logistics units have been defined as follows:

- i. **Logistics** refers to the overall process of logistics management that collects and transports resources to their final destination.
- ii. **Logistics services** refers to cargo aggregation/ separation, distribution, intermodal transfer of materials and containers, open & closed storage, conditions suitable for storage in the cargo transit period, material handling equipment, and trade & commercial facilities and common facilities.
- iii. **Eco-logistics or green logistics** - are techniques that aim at minimizing the ecological impact of logistics activities, including eco-friendly transportation, reducing carbon emissions, solid-liquid waste management, scientific disposal techniques, use of bio-degradable items, adopting recycling techniques, using renewable energy, etc.
- iv. **Supporting infrastructure** means development of internal roads, communication facilities, open and green spaces, water pipelines, sewage/ drainage and disposal facilities, power lines, feeders, solar panels and other facilities as per the requirements of the Logistics Park.
- v. **Inland Container Depot** shall mean an off-sea port facility with a fixed installation or otherwise, providing services for operation of equipment, machinery, etc., and/ or Licensing facility from Customs control including facility for storage of Laden Import/ Export containers with custom bonded or non-bonded cargo. These facilities include road connectivity, rail connectivity, customs/ non-custom bonded warehousing, truck terminals, etc. and other common utilities required for efficient operation. Inland container depot means with minimum investment of Rs 50 crore and minimum area of 18 acres.
- vi. **Air Cargo Complex** means the facilities developed to enhance the air cargo movement capacity of the State. These facilities can be located within airport/ off-airport locations and provide facilities such as handling, storage and clearance of cargo, among other facilities.
- vii. **Warehouse** means an open/ closed area developed to provide storage facilities for any cargo. To provide facilities in bulk/ breakbulk form for handling and storage of warehouse cargo. Warehouse facility with minimum investment of Rs 2.5 crore and area 5,000 square feet in hilly area (Category A, B, B+ & C) and minimum investment of Rs. 5 crores with minimum area of 10,000 square feet for non-hill area (Category – D) (Minimum 5 Utilized processes must be automated with the help of technology Interventions).
- viii. **Cold chain facility** means a facility for storage and minimal processing of perishable/ temperature sensitive cargo like agriculture, horticulture, dairy, fish and marine, poultry and meat products, pharma, etc. which is linked from source to consumer. Cold chain facility with an investment of Rs. 5 crore and minimum area of 5, 000 sq. ft. (Minimum 5 Utilized processes must be automated with the help of technology Interventions).

### **The major components of cold chain facilities may include:**

- a. Controlled Atmosphere/ Modified Atmosphere Chamber, Variable Humidity Chamber, Ambient Storage, Individual Quick Freezing, Blast Freezing, etc.
- b. Weighing, sorting, grading, cleaning, waxing, packing, pre-cooling, fog treatment, irradiation, etc. facilities at Minimal Processing Center.
- c. A dedicated cold chain facility with end-to-end mobile pre-cooling vans and reefer trucks.

- xi. Truck terminals** mean such facilities which are developed to reduce traffic congestion at strategic locations such as district logistics nodes, industrial areas, national/ state highways, expressway intersections, etc. Truck terminals provide facilities such as repair and maintenance of trucks, stores for spare parts, ATMs, fuel stations, parking spaces, transportation offices, sanitation facilities, weighbridges, etc. These facilities may include facilities for loading/ unloading (cross-docking) cargo as well as accommodation for drivers and their assistants, among other facilities. Automated vehicle fitness checks can also be provided at truck terminals. Truck terminal with an investment of Rs 5 crore and minimum area of 45, 000 sq. ft..
- x. Logistics parks** will be developed on private/ Public Private Partnership/ Joint Ventures system on land above 05 acres in hilly area (Category A, B, B+ & C) and more than 10 acres for non-hill area (Category D).
- xi. Transports/ Truck Owners/ Fleet Operators/ Aggregators** - Purchasing a minimum number of 3 Trucks/ Small Trucks / Mini Pickup trucks/ Refer vans (Ex-Showroom Price as applicable). The categorization of trucks are done on the basis of following criteria:
  - a. Big Truck: (32-40 Feet, 14-Wheeler Truck (21 Ton To 31 Ton Capacity))
  - b. Medium Trucks: (24-32 Feet, 12-Wheeler Truck (16 Ton To 25 Ton Capacity))
  - c. Small/Mini Pick-ups Trucks: (20-32 Feet, 10-Wheeler Truck (10 Ton To 15 Ton Capacity))
- xii. Expansion:** - Means an increase in the value of the capital investment in immovable fixed assets like Plant & Machinery and factory Buildings excluding working capital and Land Cost of capital investment in existing unit/ project by at least 25 %, with enhancement of at least 25% of existing capacity.
- xiii. Project Cost** – Means and includes investment in Land, Super built-up area\* of a logistics unit, Plant & Machinery, and factory Building (In case of new unit/project) excluding working capital. For calculation of incentives, only 25% of land cost at circle rate or actual cost of land, whichever is lower, will be taken into account.
 

*\*Super Built-up Area is defined as the total sum of the built-up area and the space that has been occupied by the common areas such as staircase, lobby, elevator, clubhouse, shafts, etc. Super built-up area is also referred to as the “saleable area” on which the developers usually base the final charge.*
- xiv. Hub and Spoke network** is a centralized, integrated logistics system designed to keep costs low. Hubs and spoke distribution centres receive products from several different origin producers/ suppliers, integrating them and sending them directly to the destinations.

### 3. Eligibility

- i.** Entity/ Institution registered as Sole Proprietorship, Partnership Firm, Co-operative Society, Company, LLP, Trust, Non-Governmental Organization (NGO) and any other legal entity can avail the benefit of financial incentives under this policy.
- ii.** PPP projects and projects by Central or State Government/ PSUs will also get the benefits under the policy.
- iii.** Units in the logistics sector that avail financial incentives under any other policy or from any other department of the Central/ State Government will not be eligible to get the incentives/ benefits mentioned in this policy as consolidated incentives have been provisioned here.
- iv.** According to the definition given for the substantial expansion of the existing industrial unit in the State's Micro, Small and Medium Enterprises Operational Order 2015 (as amended 2020), it is necessary to make additional fixed capital investment of minimum 25% or more in the existing capital investment of the existing unit.

#### 4. **Vision**

- i. Facilitation and development of an integrated logistics ecosystem in Uttarakhand will help enhance competitiveness, operational efficiency and sustainability through innovation, skilled manpower, quality and disruptive technology. This will reduce the cost of logistics as well as boost trade and private investment in Uttarakhand.
- ii. The policy aims to address the cross-functional needs of the entire value chain of the ecosystem in Uttarakhand. It is a step towards enhancing and promoting the business needs of Logistics Enablers, Investors and Service Providers. This policy has been prepared to create a hub-spoke logistics ecosystem within the State.

#### 5. **Policy Objectives**

- i. Creation of a simplified, proactive and responsive institutional mechanism for rapid growth of the logistics sector.
- ii. Strengthening of new and existing logistics infrastructure like godowns, Inland Container Depot (ICD), cold storage, rail-road connectivity to industrial estates/ clusters, etc.
- iii. To develop hub-spoke logistics model in the State to strengthen economic linkages between hilly and plain areas and create benefits across the entire business value chain for logistics.
- iv. To promote green and innovative practices to develop competitive logistics infrastructure in the State.
- v. To encourage private investment for setting up logistics facilities in the state with forward and backward linkages.
- vi. Upgradation and improvement of existing warehousing and logistics infrastructure facilities to promote economic activities and large-scale employment.
- vii. To provide handholding support to existing and new logistics operators.
- viii. Coordination with all national and global agencies involved in promoting logistics.
- ix. To develop competitive logistics infrastructure facilities in the state by promoting green and innovative logistics.

#### 6. **Strategies**

- i. **Creation of a simplified, proactive and responsive institutional mechanism for rapid growth of the logistics sector.**
  - a. Mapping of logistics facilities across the state to identify areas of intervention/ improvement and development.
  - b. Identification of potential and operational constraints for the proposed development of existing logistics facilities, services, road & rail networks at the state and national levels.
  - c. Assessing the future requirements of logistics infrastructure such as rail networks, airports and logistics facilities.
  - d. To consider the focus areas of MSME Policy-2015, Mega Industrial & Investment Policy-2021 and other similar policies promulgated by the Government of Uttarakhand.
- ii. **Strengthening of new and existing logistics infrastructure like godowns, Inland Container Depot (ICD), cold storage, rail-road connectivity to industrial estates/ clusters, etc.**

The objective of this policy is to improve utilization of existing logistics facilities, which are under the control of private developer or various State Government Departments/

agencies. The existing facilities will be evaluated on the basis of various performance parameters to improve their utilization through relevant stakeholder consultations.

**iii. To promote green and innovative practices to develop competitive logistics infrastructure in the State.**

- a. The aim of the Uttarakhand Government is to build an eco-friendly and sustainable logistics & transport system in the state. Green logistics are technologies that aim to reduce the ecological impact of logistics activities, including eco-friendly transportation, reducing carbon emissions, solid-liquid waste management, scientific disposal techniques, use of bio-degradable goods, recycling techniques. Adoption, use of renewable energy, etc. Thus, the policy will promote the use of electric and hybrid vehicles in multimodal transport and logistics parks along with promoting green logistics initiatives.
- b. The state will implement smart systems for efficient movement of cargo through checkpoints. “Green Channels” will be identified for vehicles carrying export-import/ Défense Cargo.

**iv. Promoting private investment in setting up of logistics facilities with forward and backward linkages in the state.**

- a. The Government of Uttarakhand will encourage Public Private Partnership in the creation of modern logistics facilities in the state.
- b. Development of storage and handling facilities:** The policy focuses on development of warehousing and handling facilities at strategic nodes for improvement of logistics efficiencies in focus areas like pharmaceuticals, e-commerce, agricultural products, etc.
- c. Development of Air Freight Stations and Air Cargo Complex at Strategic Locations:** Air cargo capacity, existing capacity constraints, air connectivity, etc. will be assessed in this policy. Accordingly, while mapping the facilities for promotion of air cargo, priority will be given to the development of air cargo terminals and air freight stations.
- d. Supported development of e-commerce:** The policy encourages development of e-commerce hubs in high-speed areas, near demand points and around the periphery of cities. It will cater to the needs of the e-commerce sector as well as congest the traffic in the cities.
- e. Development of Truck Terminals, Driver Rest Areas and Parking Spaces:** The policy will promote repair and maintenance of truck terminals, driver rest areas and development of parking spaces at strategic locations (National/ State Highways, Expressway intersections, etc.) around the periphery of industrial parks and high cargo density. This will decongest the crowd and provide proper waiting area for trucks during restricted hours in the city.

**v. To provide fiscal and non- fiscal incentives to the logistics companies by the Uttarakhand Government to promote sector specific.**

The Government of Uttarakhand will provide financial and non-financial incentives to logistics companies to promote the sector. This policy promotes and encourages the use of new technology for improving the capacity of the sector in Uttarakhand. Following are some examples of technology that can be adopted for this purpose:

- a. Robotics and automation in material handling, cargo transportation and easing cargo traffic at logistics facilities.
- b. Blockchain technology-based systems for verification of transactions, and exchange of documentation and information in a secure manner.
- c. Digital twin technology to measure the impact of new experiments in simulation construction and layout and new machinery, etc. in a risk-free manner. This

technique identifies recurring trends and potential vulnerabilities in the operating environment, providing input for future improvements.

- d. The use of artificial and augmented intelligence tools for advanced demand planning, route planning, operation planning, etc. has resulted in reduction of time period, human errors and cost. Artificial intelligence-based technologies also provide the best route options for lower carbon emissions, thereby supporting environmental sustainability initiatives.
- e. The objective of the policy is to promote innovation in logistics by encouraging technology patent registration by technology providers, start-ups and other business entities and/ or by implementing specialized technology solutions during the policy period. In addition, awards/ annual awards for best technology and innovative solutions in the logistics sector will also be instituted.

**Note:** The mega projects of special importance (new technology based) will be considered for sanctioning customized packages on a case-to-case basis. According to the provisions of Uttarakhand Enterprise Single Window Facilitation and Clearance Act, 2012, the State Level Empowered Committee constituted under the chairmanship of Chief Secretary will recommend customized package of incentives.

**vi. Providing support to existing and new logistics operators in the state (Ease of Doing Logistics)**

As a part of the ongoing business reforms and to obtain the statutory approvals from the concerned departments, to streamline the existing logistics processes, aim is to simplify standard operating procedures through process re-engineering and digitizing the existing processes involved in grant of approvals. An online Single Window System is already in place and will be strengthened for online application submission, payment, tracking, approval, etc., which will remove physical touch points in all levels, requiring physical verification. In order to ensure that the application is approved within the time limit, as per the Uttarakhand Single Window Facilitation and Clearance Act, 2012 will be followed.

**vii. Coordinating with all national and global agencies involved in promoting logistics.**

The state government will assist in identifying potential export markets. It will tie up with export promotion desks by tying up with business centres in embassy offices abroad.

To enhance logistic competitiveness in the state, the government will take advantage of schemes like Trade Infrastructure for Exports Scheme (TIES), Micro and Small Enterprises Cluster Development Program (MSE-CDP), etc.

The State Government will take steps to strengthen the existing logistics & export ecosystem and establish camp offices of the relevant Export Councils in the State and will also collaborate with other export promotion organizations like Federation of Indian Export Organization, Indian Institute of Foreign Trade, Engineering Export Promotion Council, Service Export Promotion Council, Export Credit Guarantee Corporation, Tea Board, etc.

**viii. Keeping the above objectives in view, a comprehensive logistic plan has to be developed and implemented for the state of Uttarakhand.**

The Government of Uttarakhand will develop and implement a comprehensive logistics plan with a focus on four key areas of logistics:

- a. **Driver Empowerment and Employment:** Identification of dedicated parking and resting places for trucks and their drivers along highways and major roads.
  - (1) Schemes for training and skill up-gradation.
  - (2) Development of primary facilities/ centres in the state highways providing infrastructure.
  - (3) Administering state specific schemes for the health and welfare of drivers.

- (4) Organized driver training programs by State Skill Mission.
- b. Warehousing:** Fixation of standards in respect of easy availability of land and convenient environment for conversion of land use, relaxation in Floor Area Ratio (FAR) for warehousing, height of godowns, etc.
  - (1) Arrangement for obtaining permission and approval for establishment and operation of godowns under Single Window Facilitation and Clearance Act-2012.
  - (2) Preparation of e-directory of godowns in the state.
- c. Smart Enforcement:** Developing eco-system for minimum inspection and stoppage of trucks on the road. Removal of obstacles by identifying truck movement checkpoints and effective implementation of Roads Act, 2007 and Indian Motor Vehicles Act for carriage of goods.
  - (1) Simplification of existing procedures for road enforcement.
  - (2) Initiatives to address protruding cargo.
  - (3) To prepare a roadmap for adoption of an alternative/ innovative method of enforcement.
  - (4) Provision of WiFi/ CCTV/ WIM for remote enforcement.
  - (5) Integration of GSTN/ FASTag/ Vahan/ Sarathi database and use in smart enforcement.
- d. City Logistics:** Logistics park/ transport infrastructure with truck parking/ warehousing in peri-urban areas near cities and traffic arrangements for last-mile delivery.
  - (1) Development of transport infrastructure and traffic planning for last mile delivery within city limits.
  - (2) Identification of peri-urban locations for development of godowns/ fulfilment/ aggregation centres to enable shifting of warehouses in the city.
  - (3) Transport of goods through sustainable mode, etc.

## 7. Framework for Investment in Uttarakhand

### i. Industrial Corridors

The state's strategic location and proximity to the National Capital Region (NCR) and the upcoming two National Industrial Corridors, Amritsar Kolkata Industrial Corridor and Delhi Mumbai Industrial Corridor will help meet the infrastructural requirement to facilitate logistics activities in the state. The State Government will take special measures to enhance the logistics and infrastructure of the State.

### ii. Increasing Warehousing, Storage, Container Facilities and Air Cargo Facilities

- a. To overcome the challenges/ difficulties in cargo storage, customs clearance and container availability, the State Government will set up new ICDs/ Dry Ports at Haridwar and other emerging industrial hubs.
- b. A Land Custom Station at Banbasa, Champawat will be set up as an integrated check post in coordination with the Land Port Authority of India.
- c. Upgradation of existing ICDs at Kashipur and Pantnagar and existing cargo setup at Jolly Grant airports.
- d. The state will set up a cargo terminal at Pantnagar airport to facilitate logistics with integrated facilities for cold chain and warehousing.
- e. Air connectivity will be increased by introducing new flights to destinations including metro cities of India.



- f. Improvement and maintenance of existing road infrastructure in industrial areas to increase cargo inflow/ outflow thereby reducing the cost of transactions undertaken by the industries.
- g. Coordination with Government of India to increase rail connectivity in all areas.
- h. Ongoing projects like Rishikesh-Karnprayag Rail Project, All-Weather Char Dham Road Project and Bharatmala Road Project are aimed at increasing connectivity to remote parts of the state.

**iii. Industry Status to Logistics Sector**

Warehousing and logistics units that meet the conditions of 'infrastructure status' as prescribed by the Government of India will be given 'industry' status in the state.

**iv. Promote Dry Port**

The Uttarakhand government will focus on strengthening dry ports and inland container depots at suitable locations (high commercial density).

**v. Storage Facilities**

The state aims to develop warehousing facilities in each district to meet the needs of the MSME sector (especially agricultural producers).

**vi. Logistics Park**

The State Government will provide assistance in the development of necessary infrastructure and setting up logistics parks through SIIDCUL.

**vii. Multimodal Logistics Park**

As part of the National Perspective Plan prepared under the Sagarmala Program of the Ministry of Shipping, 7 Multi-Modal Logistics Parks were proposed in different states of India, out of which one park has been set up in Pantnagar, Uttarakhand in an area of about 38 acres. Domestic operations have already been started at this facility and the state government will facilitate international operations. The park is supporting industries located in IIE Pantnagar and adjoining areas like Rudrapur, Kashipur, Kichha and Khatima where industries of major industrial establishments are established. The park will serve as a rail linked multimodal logistics park.

**viii. Encouraging Public-Private Partnerships**

The state will encourage public-private partnerships in the creation of modern logistics facilities in the state.

**ix. Skill Development**

In coordination with the Uttarakhand Skill Development Mission, the subject of logistics will be included in the curriculum to enable skilled manpower to meet the increasing demand in the state sector.

**8. Policy Implementation**

- i. This policy will be effective from the date of its notification and will remain in force for 5 years. This policy shall be reviewed after 2 years from the date of notification on progress made and on implementation related issues, if any. Necessary amendments will be incorporated and notified accordingly.
- ii. This Policy may be amended or superseded from time to time, if necessary.
- iii. On amendment of any of the provisions of this policy, if the State Government is already providing the benefit of financial incentive to any unit, the same will not be withdrawn and the unit will continue to be entitled to the benefit for the prescribed period.
- vi. A unit that has availed any incentive for the same assets under any other scheme of the Central Government/ State Government, or any agency of the state government shall not be eligible for incentive under this scheme.

- v. Benefits under this policy will only be applicable in case the unit's billing address is located in Uttarakhand for capital expenditure as well as for operational purposes.

## 9. Logistics Institutional Setup

### i. State logistics Cell

In order to create a conducive logistics ecosystem, a State-level Logistics Cell and State Logistics Coordination Committee will be constituted and Secretary, Dept. of Industry, will be nominated as the nodal officer for the integrated development of the sector.

This cell shall measure the performance metrics across the logistics value chain and enable data-driven decision-making for future infrastructure and logistics projects, the availability of capacity and growth trends for logistics infrastructure & facilities in the State.

#### State logistics Cell

|    |                                                                                                                                                             |             |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 1. | Principal Secretary/ Secretary, Dept. of Industry, Govt. of Uttarakhand.                                                                                    | Chairperson |
| 2. | Secretary/ Additional Secretary, Planning, Finance, Transport, Civil Aviation, Urban Development, Revenue, Forest & Environment, PWD, Govt. of Uttarakhand. | Member      |
| 3. | Director General & Commissioner Industries, Uttarakhand.                                                                                                    | Member      |
| 4. | Managing Director, SIIDCUL                                                                                                                                  | Member      |

#### State Logistics Coordination Committee

|    |                                                                                                                                                           |                  |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1. | Chief Secretary, Uttarakhand                                                                                                                              | Chairperson      |
| 2. | Principal Secretary/ Secretary, Dept. of Industry, Govt. of Uttarakhand.                                                                                  | Member Secretary |
| 3. | Principal Secretary/ Secretary, Planning, Finance, Transport, Civil Aviation, Urban Development, Revenue, Forest & Environment, PWD, Govt. of Uttarakhand | Member           |
| 4. | Director General & Commissioner Industries, Uttarakhand.                                                                                                  | Member           |
| 5. | Managing Director, SIIDCUL                                                                                                                                | Member           |
| 6. | Regional Officer/ Chief Officer, National Highways Authority of India (NHAI)                                                                              | Member           |
| 7. | Director, Airports Authority of India (AAI)                                                                                                               | Member           |

It is also proposed that **City Logistics Coordination Committee** will be formed for major cities like Dehradun, Haridwar, Udham Singh Nagar, Haldwani, in which Municipal Corporation, District Authority, etc. will be included. Its main objective is to improve urban freight carrying capacity and ease cargo movement and remove bottlenecks.

## 10. Incentives to Logistics Units/ Parks

### Strategic interventions in potential and promising areas through policy

Keeping in view the requirements in terms of topography and logistic output of the state of Uttarakhand, the objective of this policy is to build a hub-spoke model concept within the state, leading to development of large logistics connectivity and infrastructure in hubs (districts classified as plains) and to prepare medium and small spokes in the remotely connected districts. The material flow in containers and vehicles will be equally sized, depending on the geographical/ topographical

requirements of the state. Plausible and Expected outcome of this Policy, and the intent behind the Policy:

**Plausible Hubs (Level 1):** Districts of Haridwar, Dehradun. Udham Singh Nagar and Nainital.

- Where we are Expecting Development of Air Cargo Complexes, Warehousing facility, Cold Chain Facility, Big Truck Terminals, Transports/ Truck Owners / Fleet Operators/ Aggregators, Logistics Park, Inland Container Depot (ICD).
- Logistics Park shall be predominantly located at a
  - Maximum distance of 10 Kms from periphery of existing or proposed Integrated Industrial Estate (IIE) Parks / SIDCs / any proposed industrial cluster.
  - Maximum distance of 3 Kms from any existing or proposed trunk infrastructure (Railways/ State Highway/ National Highway), or Airbase.
- ICD/CFS shall be predominantly located in the proximity to the nearest railway stations/ Airbase.
- Other regulations regarding ICD/CFS shall be as per Central government notification issued by Ministry of Finance vide circular no.50/2020-Custom.

**Plausible Medium Spokes (Level 2):** Locations greater than or equal to 75 Kms from Level 1

**Plausible Small Spokes (Level 3):** Locations greater than or equal to 50 Kms from Level 2

Note: These locations shall be strategic locations for the state, other locations may come as per availability of trunk infrastructure, land availability, and suitable location as per requirement.

| S.no.                                                                                                | Units                                                   | Criteria                                                                                                                                                                                                                                                                                                                               | Incentive                                               |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <b>A. General Logistic Facilities</b>                                                                |                                                         |                                                                                                                                                                                                                                                                                                                                        |                                                         |
| (1) For project cost of up to Rs. 50 Crores, subsidy will be capped at Rs. 8 Cr                      |                                                         |                                                                                                                                                                                                                                                                                                                                        |                                                         |
| (2) For project cost of more than Rs. 50 Cr and up to Rs.150 Cr, subsidy will be capped at Rs. 24 Cr |                                                         |                                                                                                                                                                                                                                                                                                                                        |                                                         |
| (3) For project cost of more than Rs. 150 Cr, subsidy will be capped at Rs. 32 Cr                    |                                                         |                                                                                                                                                                                                                                                                                                                                        |                                                         |
| i.                                                                                                   | Warehousing facility                                    | Warehouse facility with minimum investment of Rs 2.5 crore and area 5,000 square feet in hilly area (Category A, B, B+ & C) and minimum investment of Rs. 5 crore with minimum area of 10,000 square feet for non-hill area (Category – D) (Minimum 5 Utilized processes must be automated with the help of technology Interventions). | 20% of the Project cost                                 |
| ii.                                                                                                  | Truck Terminal                                          | Truck terminal with an investment of Rs 5 crore and minimum area of 45, 000 sq. ft..                                                                                                                                                                                                                                                   | 20% of the Project cost                                 |
| iii.                                                                                                 | Transports/ Truck Owners / Fleet Operators/ Aggregators | Purchasing minimum number of 3 Trucks/ Small Trucks / Mini Pickup trucks/ Refer vans (Ex-Showroom Price)                                                                                                                                                                                                                               | 10% on Big and 15% on small and medium trucks- 10 Lakhs |
| iv.                                                                                                  | Cold Storage                                            | Minimum area of 5,000 sq. ft ( <i>Minimum 5 Utilized processes must be automated with the help of technology Interventions</i> )                                                                                                                                                                                                       | 20% of the Project cost                                 |
| v.                                                                                                   | Common Facilities                                       | (Weigh bridge, Dormitories, Guest Houses, Canteen, Medical Centre) within logistics unit campus                                                                                                                                                                                                                                        | 10% of project cost                                     |
| vi.                                                                                                  | Infrastructure Facilities                               | (Internal Transportation system, Power line, Communication facilities, Water                                                                                                                                                                                                                                                           | 20% of project cost                                     |

|      |                                                           |                                                                                                                                                                                                                                           |                      |
|------|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|      |                                                           | distribution and water augmentation facilities, Sewage and drainage lines, Effluent treatment & disposal facilities, Fire tender arrangements, Parking)                                                                                   |                      |
| vii. | Eco-logistics or green logistics/ technology led logistic | Green logistics including eco-friendly transportation, reducing carbon emissions, solid-liquid waste management, scientific disposal techniques, use of bio-degradable items, adopting recycling techniques, using renewable energy, etc. | 25 % of Project Cost |

| S.no.                                                                                                | Units                                                               | Criteria                                                                                       | Incentive                                                        |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>B. Special Logistic Units</b>                                                                     |                                                                     |                                                                                                |                                                                  |
| (1) For project cost of up to Rs. 50 Crores, subsidy will be capped at Rs. 8 Cr                      |                                                                     |                                                                                                |                                                                  |
| (2) For project cost of more than Rs. 50 Cr and up to Rs.150 Cr, subsidy will be capped at Rs. 24 Cr |                                                                     |                                                                                                |                                                                  |
| (3) For project cost of more than Rs. 150 Cr, subsidy will be capped at Rs. 32 Cr                    |                                                                     |                                                                                                |                                                                  |
| i.                                                                                                   | Logistics Park (MMLP/Dry Port/Air Cargo/ Integrated Logistics Park) | Logistics Parks developed on basis of Private/PPP/ JV mode on more than 10 acres of land area. | Incentive as per Facilities constructed, as listed in A(i)-A(vi) |
| ii.                                                                                                  | Inland Container Depot (ICD)                                        | ICD shall be made in minimum area of 18 acres.                                                 | Incentive as per Facilities constructed, as listed in A(i)-A(vi) |

|                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>C. Over and above, all category of incentives –</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                        | <p>Skill development Incentive (For new logistic provider- general or special) With training period of 1 Month(minimum) to 3 Months(maximum)</p> <p>One time support of INR 25,000/- or actual cost of training per person whichever is lower, up-to max of 100 Employees to be claimed within a period of 2 Years from the starting date of operations. Skill Development Institution needs to be accredited under NSDC/ UGC/ Government/ AICTE.</p> |

**Note:**

1. *These incentives will apply to all new and existing industries / logistic units and those units that undergo expansion, Government of Uttarakhand will regularly review the progress of this policy and take necessary steps to make it more effective and result- oriented.*
2. *Terminal operators shall have to maintain a hygienic environment within terminal, wherein regular check-up shall be done and operators of terminal, who fails to align with food and hygienic lodging environment conformation, registration of such terminals shall be discontinued.*

## 11. Process of obtaining financial incentives

| Phase of Incentive Release | Stages                                                                                                                                                                                                                                                                                                                                           | Checklist Modality (Submission by Investor )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1st Instalment:            | The 1st instalment of 10% at the time of Land Purchase.                                                                                                                                                                                                                                                                                          | <ol style="list-style-type: none"> <li>1. <b>Company Incorporation Certificate</b></li> <li>2. <b>Land Deed/ Lease Deed</b></li> <li>3. <b>Approved DPR from Charter Accountant</b></li> <li>4. <b>Means of Finance</b></li> </ol> <p><i>All documents can be uploaded through Online mode, and on due verification, fund shall be disbursed</i></p>                                                                                                                                                                                                                                                                                                                 |
| 2nd Instalment:            | The 2nd instalment of 35% of the total Incentive under the Logistic Policy will be released after ensuring that 90% of the project cost has been utilized on the project.                                                                                                                                                                        | <ol style="list-style-type: none"> <li>1. <b>Chartered Accountant Certificate</b> - Actual expenditure incurred on the project showing the means of finances and 90% of project cost utilized.</li> <li>2. <b>Bank Statement, Bill, and Transaction Proof</b>-<br/>Expenditure incurred on the project</li> <li>3. <b>GST</b> challan paid for project</li> <li>4. <b>Photo/Video</b> evidence of Project site</li> <li>5. <b>Completion Certificate</b> by duly signed by Architect (registered under COA with valid registration no.)</li> </ol> <p><i>All documents can be uploaded through Online mode, and on due verification, fund shall be disbursed</i></p> |
| 3rd Instalment:            | The 3rd instalment of 35% of the total Incentive under the Logistic Policy will be released only after confirming the commencement of commercial production through physical verification by the District Industries Centre / Directorate of Industries and issue of Consolidated consent & authorization (CCA) from the Pollution Control Board | <ol style="list-style-type: none"> <li>1. <b>Chartered Accountant Certificate</b> - Actual expenditure incurred on the project showing the means of finances and 100% utilization of Project Cost</li> <li>2. <b>GST Number</b></li> <li>3. <b>Commercial Operation Certificate</b> issued by DIC</li> </ol> <p><i>All documents can be uploaded through Online mode, and on due site verification, fund shall be disbursed</i></p>                                                                                                                                                                                                                                  |
| 4th Instalment:            | The 4th instalment of 20% of the total Incentive under the Logistic Policy will be released only after 2 years of commercial operation                                                                                                                                                                                                           | <ol style="list-style-type: none"> <li>1. Audit book/ Annual Financial Reports (after 2 years of Commercial Operation)</li> <li>2. Before releasing of 4th &amp; final instalment of Incentive a project cost will be re-calculated based on the proposed/ appraised / actual cost, whichever is less, for the already approved items and released accordingly</li> </ol> <p><i>All documents can be uploaded through Online mode, and on due site verification, fund shall be disbursed</i></p>                                                                                                                                                                     |

Note: After the notification of this policy, detailed guidelines will be issued separately for the implementation of the policy.