UP Warehousing & Logistics Policy 2022: A roadmap for an integrated logistics ecosystem in the state

The vision of the Policy is to develop a seamless, technologically enabled, well-integrated, resilient, and sustainable logistics ecosystem, efficient in cost and time, in the State with the enhanced operational efficiency and competitiveness of the businesses.



By Mr. Sunil Tyagi, Managing Partner and Co-founder & Ms. Anisha Jhawar, Associate, ZEUS Law: The Government of Uttar Pradesh has recently notified UP Warehousing and Logistics Policy 2022 ('Policy') which envisions providing for a friendly trade and investment landscape with manifold growth in the warehousing and logistics segment in the State.

The strategic location of the State proves to be a great ecosystem for attracting investment, being home to:

- Dadri an intersecting point of Western Dedicated Freight Corridor (or WDFC) and Eastern Dedicated Freight Corridor (or EDFC). The WDFC and EDFC provides an easy accessibility to the western port of JNPT Port at Mumbai and eastern port of Haldia at Kolkata;
- 2. Various multi-modal inland waterway terminals at Prayagraj, Ghazipur/ Rajghat, Varanasi;
- 3. The good national highway networks in the country, 3 existing and 2 upcoming international airports, as well as 7 existing and 8 upcoming domestic airports;
- 4. Several dry ports such as Inland Container Depot at Kanpur and Dadri; Multi-Modal Logistics Hub at Dadri and Boraki;

- 5. Varanasi is set to serve as Freight Village, a trans-shipment hub for inbound and outbound cargo;
- 6. Several integrated upcoming townships along the Delhi Mumbai Industrial Corridor (DMIC) and Amritsar Kolkata Industrial Corridor (AKIC), in the Greater Noida Area;
- 7. Proposed Integrated Manufacturing Cluster (IMC) under AKIC Project at Prayagraj and Agra;
- 8. And other industrial infrastructure projects such as Defence Industrial Corridors, Medical Device Park, etc.

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The front-end subsidies include those exemptions/ concessions allowed before the commencement of the commercial operations and back-end subsidies include those provided only after the project completion and commencement of commercial operations. For availing of the incentives at earlier stages, registration with Nodal Agency is required and at later stages, a Letter of Comfort is required to be obtained by the eligible project companies/offices.

The Nodal Agency, i.e. Uttar Pradesh State Industrial Development Authority has been designated to administer and implement the Policy through the Online Incentive Management System (OIMS). Moreover, a single window clearance system, 'Nivesh Mitra' has been set up by the State Government which provides for a list of the online NOCs/ clearances/ approvals required for setting up, and operating the industries in the State, all of which can be applied and received at the same portal.

With the coming of the Policy, the warehouses have also been permitted to operate 24*7, female employment is encouraged in all shifts with adequate safety and security measures, and measures have also been followed for fast-track land allotment for setting up of logistics park.

The state of Uttar Pradesh, being located adjacent to the National Capital Region, is one of the most attractive destination states in terms of lucrative investment avenues with easy accessibility and connectivity for logistics, developing an integrated system for robust transportation infrastructure, institutional governance mechanism, smart logistics practices and upskilling the workforce for the same.

The launch of the New UP Warehousing and Logistics Policy 2022 is a welcome initiative for promoting rapid industrialization and infrastructure development in the State as the manufacturing activity is intrinsically linked with the logistics sector. It is expected that this Policy will enable the State to become more investor friendly with proactive governance measures in place. However, the on-ground impact of the Policy is yet to be seen. The stakeholders of the said sector will need to closely observe the action plans, guidelines and notifications as may be brought forth by the State Government from time to time as a part of the Policy's initiatives.