

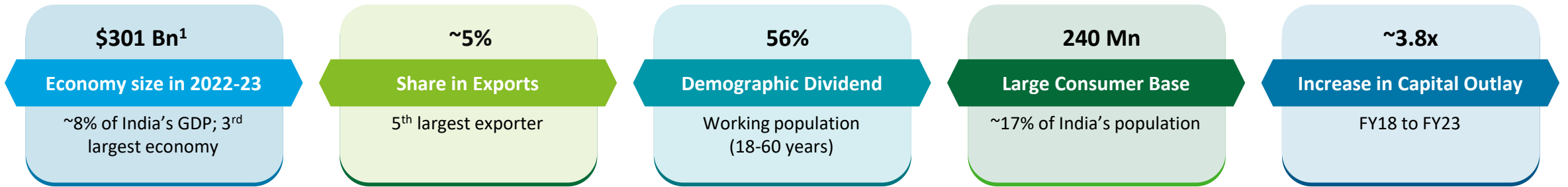


Uttar Pradesh: Powering India's Logistics Engine

Propelling Uttar Pradesh's economy toward the \$1 trillion mark

UP – State with Robust and Resilient Economy

The economic momentum of UP is well-poised to continue on a higher trajectory



Key Enablers

- **1st Rank:** Good Governance Index 2021
- **2nd Rank:** Export Preparedness Index* 2021
- **Achiever State:** Doing Business ranking across Indian states
- **Achiever State:** Logistics ranking across Indian states 2023

Investor Facilitation Systems

- **Nivesh Sarathi:** Dedicated one-stop portal managing each stage of investor lifecycle (from intent to investment grounding)
- **Nivesh Mitra:** Single window investor facilitation to provide NOCs/Clearances/Licenses
- **Online Incentive Management System (OIMS):** For processing, sanctioning and disbursement of incentives

Unlocking \$1 Trillion by 2027-28



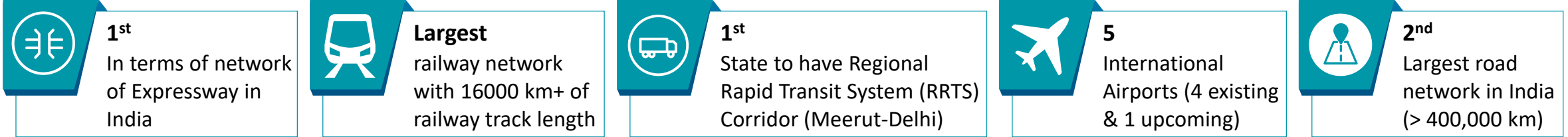
¹Exchange rate assumed as \$1 = INR 75

*Among landlocked states

Source: UP DES, World Bank, IBEF; GSDP in current prices 2011-12 series, DGCIS

UP Infrastructure landscape

Sector Overview



Advantage UP

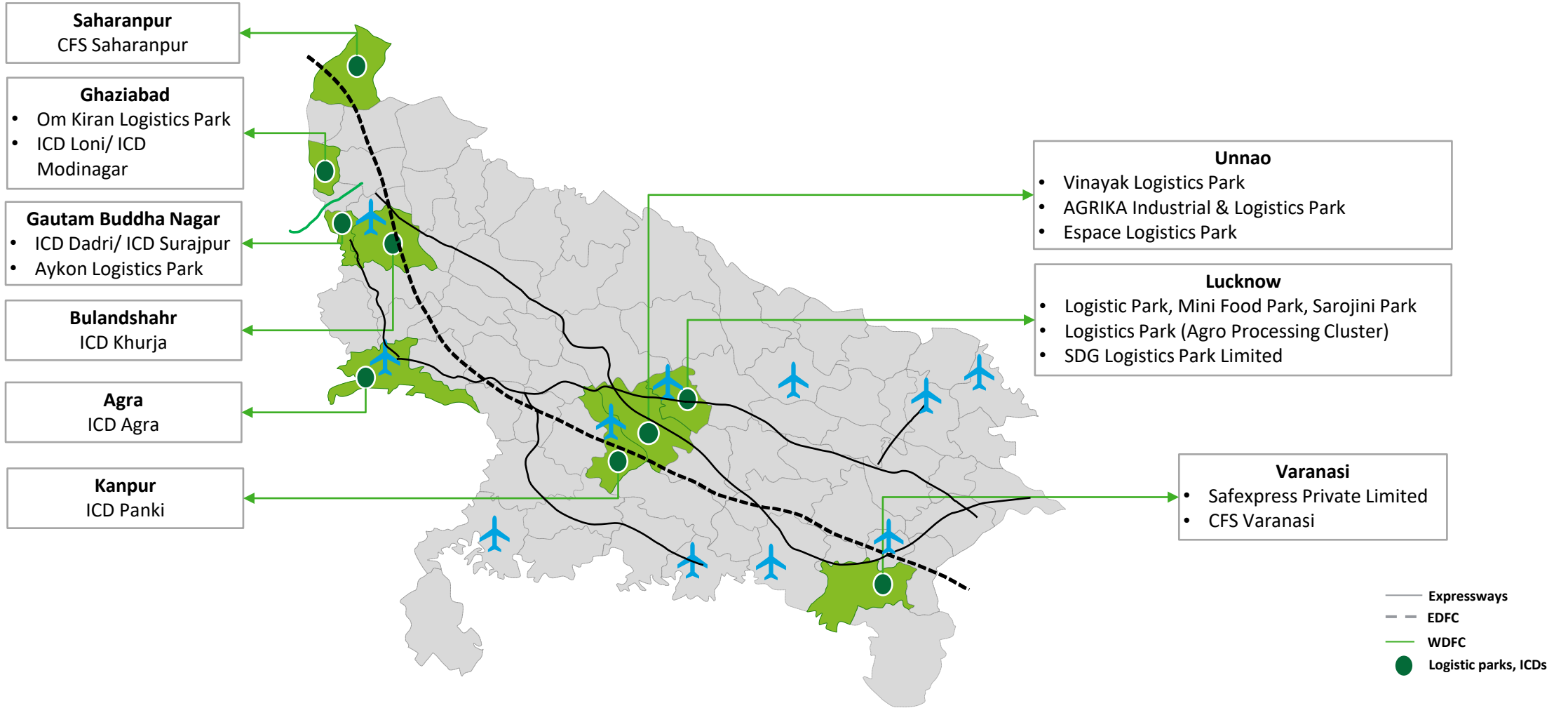
- Major catchment area of **Eastern & Western Dedicated Freight Corridors** (Dadri and Greater Noida)
- **Dedicated Freight Corridors** (EDFC with highest catchment area - ~57% & WDFC – with ~10% catchment area) in the State.
- **ICDs** (Inland container depot) at Dadri, Agra, Mirzapur, Moradabad, Kanpur. Expanding the network of MRTS & RRTS
- **Logistics hubs:** MMLH Dadri, MMTH Boraki, and MMT Varanasi
- Planned **State Capital Region**- Total area of 27,00,000 Ha. including 6 districts Lucknow, Kanpur Dehat, Unnao, Sitapur, Rae Bareli, and Barabanki
- Planned New Noida spread across 209.11 sq Km.
- **1st** to have **multi-modal waterways terminal** on river Ganga (5 freight villages planned).

Emerging Opportunities

- Planned **7-10 more rail-based Inland Container Depot (ICD) facilities**, in addition to the **3 proposed**, and actively seeking private sector participation.
- **16 clusters have been identified** for the multi-modal logistics facilities, and 7 of these will require EXIM facilities.
- **Last-mile delivery:** With the growth of e-commerce, opportunity to develop efficient last-mile delivery services.
- **Cold Chain Logistics:** High production of perishable products – fruits, milk, poultry across state - High potential for investment in cold chain logistics to preserve and transport perishable goods.
- More than 5000 ha land parcels available near expressways that could be allocated for logistics facility development
- **3 industrial areas** (MMLP- 66 Ha, MMLH- 182 Ha, MMTH- 60 Ha) are being planned in the Dadri-Noida-Ghaziabad Investment Region (DNGIR) around the junction of Eastern and Western dedicated freight corridors.

Existing Logistics Infrastructure

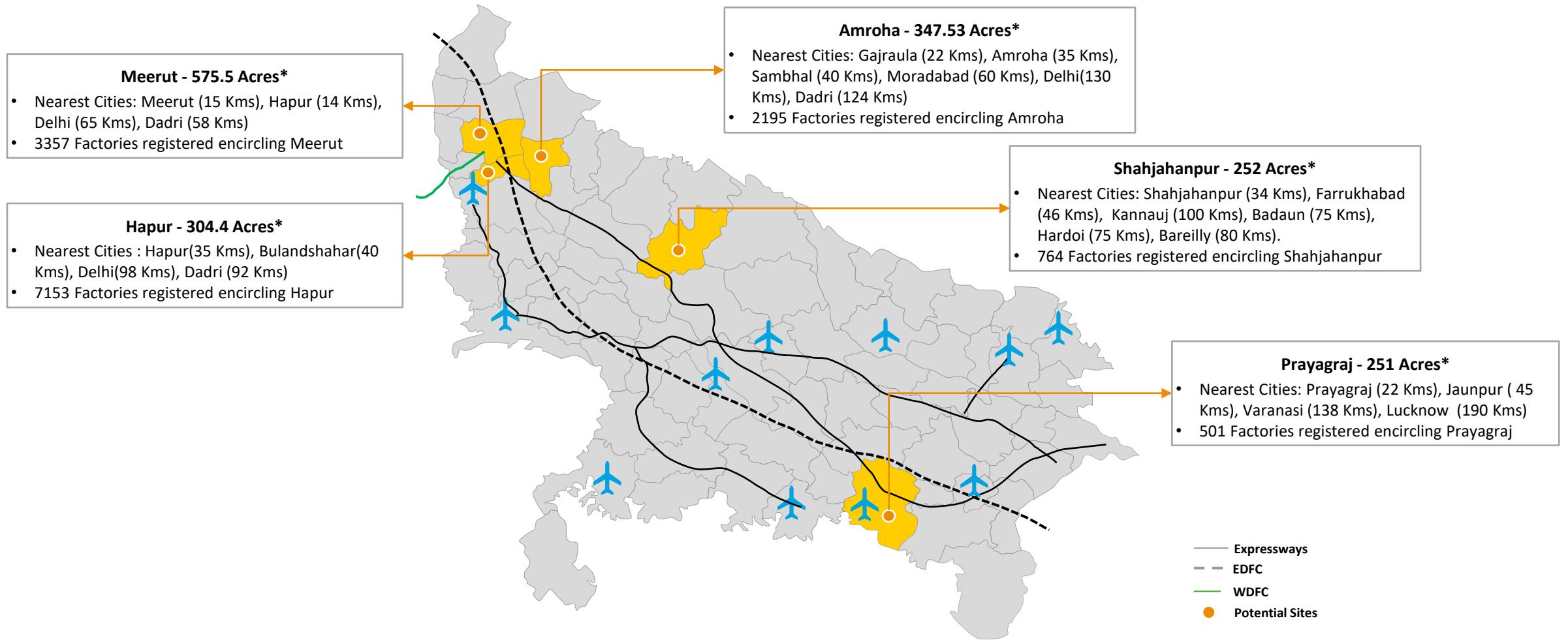
Opportunity for large-scale logistic sector companies to capture UP's growing market



*Currently, logistics parks/ICDs are concentrated in approximately 9 locations in Uttar Pradesh. Among these, only 5 locations—G.B. Nagar, Ghaziabad, Lucknow, Unnao, and Varanasi have more than one logistics park facility available.

UPEIDA Land Banks for Development of Logistics Parks in High Potential Districts

Location & Spatial Setting



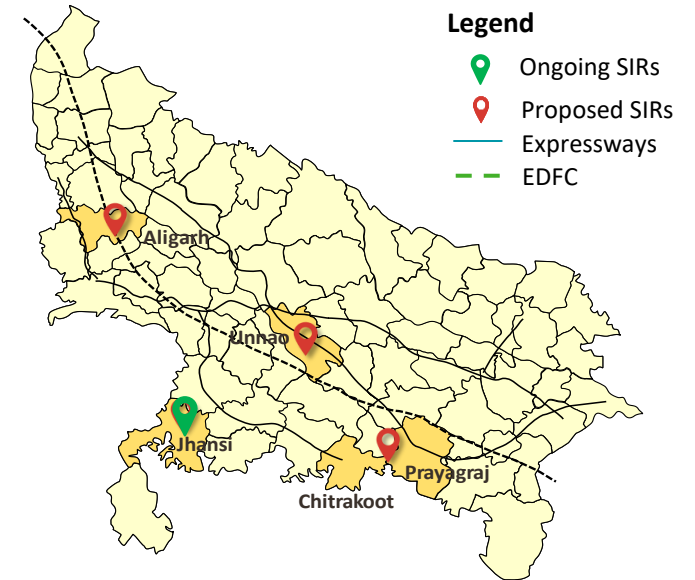
* Land under acquisition by UPEIDA

Special Investment Regions (SIRs)

Large sized Investment Regions and Industrial Areas targeted for development as global hubs of economic activity

- Global manufacturing value chain is favorably looking at India as +1 to China
- Manufacturing output and exports are expected to grow by 4-5X as UP becomes a \$1 trillion economy
- These Large-scale industrial areas with focus on exports will be the centers of industrial as well as economic activities at large
- Large industrial areas to provide economies of scale by creating a robust ecosystem of anchor, ancillary and downstream units
- Planning to hire globally renowned Master developer for the project.

- » **Bundelkhand Special Investment Regions (SIR) launched; spread over 16,600 Ha. (41,000 acres)**
- » **Developer for BIDA (SIR) to be on-boarded shortly**
- » Creation of Bundelkhand Industrial Development Authority governing industrial area in Jhansi already approved
- » **3 additional potential SIR in U.P. within the next 5 years, indicative locations**
 - Madhyanchal SIR: 8,090 Ha. (20,000 acres) - Unnao
 - Purvanchal SIR: 12140 Ha (30,000 Acres) - Chitrakoot & Prayagraj
 - Paschimanchal SIR: 12140 Ha (30,000 Acres) - Aligarh
- » Country specific industrial townships or enclaves proposed within SIRs



KEY ENABLERS



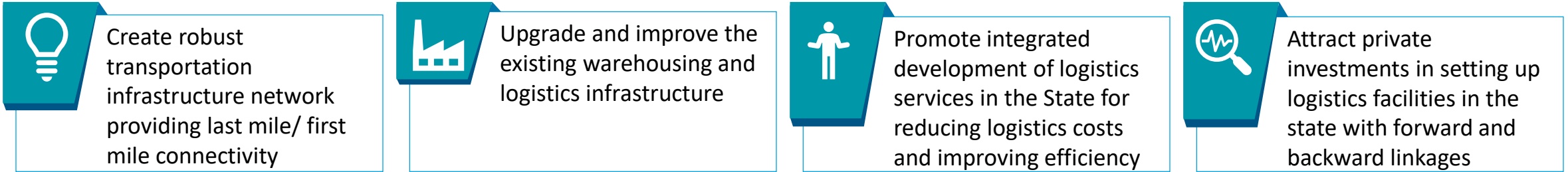
- **UP Industrial Investment and Employment Promotion Policy 2022** provides front-end and back-end subsidies (incl. capital subsidy, stamp duty exemptions, concession of land use conversion, capital subsidy for the development of private industrial parks, etc.)
- State is under the process of approval of **legislation for enabling the creation of Special Investment Regions** for boosting manufacturing infrastructure.

Opportunity: Establish your Strategic Logistics Hub within a Special Investment Regions



Uttar Pradesh Warehousing and Logistics Policy-2022

Support from Government: Uttar Pradesh Warehousing & Logistics Policy 2022



Policy Highlights

Capital Interest Subsidy - Storage facilities: @15% upto INR 5 Cr anywhere in UP and upto INR 10 Cr in designated Logistics Zones
Dry ports & Logistics Parks: @25% upto INR 25 Cr anywhere in UP & upto INR 50 Cr in designated Logistics Zones
Berthing Terminal: @25% upto INR 15 Cr subject to max 6 terminals
Cargo Terminals (GCT approved, non-approved each): @20% upto INR 15 Cr

Land-use conversion and Development Charge - 75% concession on land use conversion charges and 75% Exemption on development charges

Electricity Duty 100% exemption on electricity duty for 10 years

Stamp Duty Exemption – Upto 100%

Purchase subsidy for Inland Vessels @25% upto INR 5 Cr subject to max. 50 vessels

Quality certification cost reimbursement for storage facilities upto INR 5 lakh per project

Other Benefits

• **Industry status granted to units defined in terms of land use.** No need for land use change from commercial to industrial. Also, Industrial FAR is applied to such projects. Additionally, industrial land rates are applied to such projects for land allotment in areas reserved for industrial activity in industrial areas

• **Fast track land allotment :**

- Eligibility: Logistics Parks as defined in this policy with minimum Capital Investment of INR 500 Crores
- In industrial areas where direct land allotment is allowed, the concerned IDA will directly allot the plot in favour of investor. In case of multiple application, highest investor will be allotted.
- In Industrial areas where land is allotted through auction, land will be allotted directly at Base rate of the Plot + additional 15% of the base rate. In case of multiple application, highest investor will be allotted.



FDI, Fortune Global 500 & Fortune India 500 Companies Investment Promotion Policy, 2023

Eligibility Criteria:

- ✓ Projects with Foreign Direct Investment (FDI) Capital Investment of above ₹100 crores.
- ✓ Projects with Capital Investment of more than ₹100 crores by companies included in the list of Fortune Global-500 and Fortune India-500, subject to Negative list.

UP FDI and Fortune 500 Policy 2023 – Fiscal Incentives

Major benefits

Capital subsidy

- 25% of *ECI (excluding land cost) in Gautam Buddha Nagar and Ghaziabad regions
- 30% of ECI (excluding land cost) in Paschimanchal and Madhyanchal regions
- 35% of ECI (excluding land cost) in Bundelkhand and Purvanchal regions

Capital Subsidy will be provided in 7 equal annual instalments with annual capping of INR 100 crores

SGST reimbursement/ refund

- **Option A - Net SGST reimbursement on sales:**
 - 100% of net SGST paid for 10 years
 - Annual capping: Upto 10% of ECI, Overall capping: Upto 100% of ECI (excluding land cost and capital subsidy)
- **Option B - Input SGST refund on capital goods:** 100% SGST refund in 5 annual instalment (Applicable only in case of inverted duty structure)

Note: Option to choose any one out of A and B is available

Land subsidy

- Upto 75% in Paschimanchal and Madhyanchal region
- Upto 80% in Bundelkhand and Purvanchal region

Other fiscal benefits

- **Stamp Duty & Registration Fees:** 50% - 100% exemption/ reimbursement

- **Electricity Duty:** 100% exemption from for 5 years

- **Skill development subsidy:** Upto INR 5,000 p.m. per person for 5 years (max. 500 persons)

- **Green Industry Incentives:** 50% capital subsidy on the cost of Effluent Treatment Plant capped at INR 2.5 crores

- **Industrial Housing Incentives:** Reimbursement upto 10% of the cost of development of workers' housing or dormitory for 7 years overall capped at INR 10 crores

- **R&D incentives:** Reimbursement upto 25% of the cost of standalone R&D centre capped at INR 10 crores (with minimum capital investment of INR 20 crores)

- **Centers of Excellence (CoE):** Grant upto 50% of the project cost capped at INR 10 crores per project
Note: Option to choose any one out of above is available

- **Logistics Subsidy:** Reimbursement upto 50% of the transportation cost on import capped at INR 2 crores per unit (in case of shifting of existing plant from international or domestic locations to UP)

- **Patent cost:** Reimbursement upto 75% of the cost capped at INR 10 lakh (for domestic) and INR 20 lakh (for international)

*ECI – Eligible capital Investment

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