


# Uttar Pradesh: With Rs 1000 crore investment, set to become Bharat’s top logistics hub

Uttar Pradesh is set to become India's largest logistics hub with the establishment of a Rs 1,000 crore Multi-Modal Logistics Park, offering modern infrastructure, streamlined policies, and significant investor incentives. This initiative aims to boost industrial growth, create jobs, and position the state as a global trade leader

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The Uttar Pradesh government has unveiled the Multi-Modal Logistics Park Policy 2024, aiming to position the state as a top-tier logistics hub. This initiative will significantly enhance infrastructure, supply chain efficiency, and the state's global connectivity. Uttar Pradesh is set to emerge as India's largest logistics hub, thanks to a robust plan to establish a state-of-the-art multi-modal logistics park. With a minimum investment of Rs 1,000 crore, the project aims to streamline supply chains, improve trade efficiency, and boost economic growth in the state.

## Major Highlights of the Policy

The Uttar Pradesh Multi-Modal Logistics Park Policy 2024 sets clear investment criteria to attract large-scale and impactful projects. To qualify for the benefits, projects must have a minimum investment of Rs 1,000 crore and ensure that only significant ventures contributing to the state's economic growth are considered.

Eligible investors are those companies which are listed in the prestigious Fortune Global 500 or Fortune India 500, reflecting a preference for established businesses with proven expertise. Foreign investors, on the other hand, can qualify by committing a foreign direct investment (FDI) of at least Rs 100 crore in the state, encouraging international companies to participate and enhance global trade connections.

To make these projects financially attractive, the policy offers several lucrative incentives. Investors are entitled to a 30 per cent upfront land subsidy, applicable to land allocated by state industrial authorities or other government institutions. This significantly reduces the initial cost of setting up a project. Furthermore, all development fees, usually charged for setting up infrastructure and utilities, are waived, with the respective development authorities bearing these costs. In addition, there is a complete exemption from stamp duty on land leased for approved projects, eliminating a substantial expense in land transactions and reducing financial burdens for businesses.

The policy also prioritizes ease of doing business by introducing a single-window clearance system to streamline the approval process. This centralized system allows investors to submit all necessary applications and documents in one place, avoiding delays caused by navigating through multiple departments. The simplified process reduces bureaucratic hurdles, ensures quicker approvals, and enhances transparency, creating a business-friendly environment that encourages both domestic and international investments. Through these measures, Uttar Pradesh aims to establish itself as a leading hub for logistics and trade in India.

India's logistics industry, valued at \$215 billion in 2020, is expected to grow to \$360 billion by 2032. With its strategic location and investor-friendly policies, Uttar Pradesh is positioning itself to lead this expansion. The multi-modal logistics park is expected to set new benchmarks for similar projects across India.

Chief Minister Yogi Adityanath has prioritized logistics development to drive economic growth. The state cabinet recently approved the policy, ensuring the project's completion within five years from the date of allocation. The park will adhere to global standards, featuring advanced facilities and technology.

The development of the multi-modal logistics park in Uttar Pradesh is expected to bring transformative benefits to the state. One of the primary advantages is industrial growth, as the enhanced infrastructure will serve as a magnet for businesses and industries looking for efficient supply chain solutions. This will foster a thriving industrial ecosystem, encouraging both domestic and international companies to set up operations in the region.

Additionally, the project will generate significant employment opportunities across various stages. Thousands of jobs will be created during the construction phase and in the ongoing operations of the park, as well as in allied sectors such as transportation, warehousing, and logistics management. This will not only improve livelihoods but also boost the local economy.

Another critical benefit is improved trade efficiency. By optimizing supply chain management, the logistics park will help reduce logistics costs, making goods more affordable and accessible. This efficiency will particularly benefit exporters and manufacturers, enabling faster movement of goods to markets.

Finally, the logistics park will enhance global competitiveness by equipping Uttar Pradesh with world-class facilities. Modern infrastructure and advanced technologies will position the state as a key player in international trade, attracting global investments and boosting its economic standing. These benefits collectively pave the way for Uttar Pradesh to become a vital logistics and trade hub in India.

The logistics park will integrate road, rail, air, and waterways to optimize transportation. This aligns with India's National Logistics Policy, which aims to reduce logistics costs from 13-14% of GDP to 8-10%, aligning with global standards.

## State-of-the-Art Facilities

1. The logistics park will include advanced infrastructure such as:
2. Warehousing: Modern storage solutions for various industries.
3. Cold Chain Facilities: Specialized storage for agriculture and pharmaceuticals.
4. Transport Terminals: Dedicated facilities for seamless movement of goods.
5. Technology Integration: Automation, IoT, and AI for efficient logistics management.

## Investor-Friendly Measures

### To attract investors, the policy offers:

1. Financial subsidies and tax exemptions.
2. Simplified approvals through a single-window clearance system.
3. Infrastructure support linked to industrial corridors and freight networks.

Uttar Pradesh's location provides excellent connectivity to major markets in northern and eastern India. Proximity to the Delhi-Mumbai Industrial Corridor, eastern waterways via the Ganga river, and national highways ensures seamless trade.

The logistics park is a critical part of India's \$5 trillion economy vision. By enhancing export capabilities and reducing logistical challenges, Uttar Pradesh is poised to set a precedent for other states. This transformative initiative is expected to redefine the state's economic landscape while creating new opportunities for growth. The state government envisions this project as a transformative step toward making Uttar Pradesh a critical player in India's economic growth. With a focus on global standards and advanced infrastructure, the logistics parks will not only contribute to the economy but also set a benchmark for other states to emulate.