

INDIA

Maharashtra



Maharashtra Logistics Policy - 2018

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Introduction



Logistic Park:

Logistic Park is a group of various warehouses that can be readymade or constructed as per the requirement of the clients. Activities like Assembling, Packaging, storage, management, distribution, and transportation are being carried out from the Logistic parks.

Globally logistics is considered the major supporting service for many successful organizations and it is also one of the important sources for earning foreign Exchange.

Logistics also plays important role in the economic development of the country.



Introduction

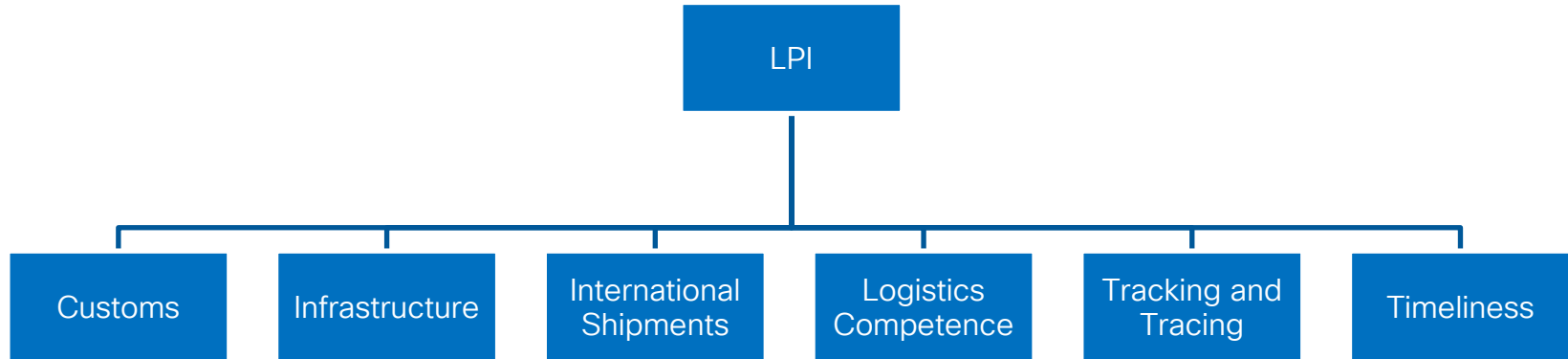


India stands at 44th rank at Global Logistic performance Index (LPI) in 2018.

Country	Year	LPI Rank	LPI Score
Germany	2018	1	4.2
Sweden	2018	2	4.05
Belgium	2018	3	4.04
Austria	2018	4	4.03
Japan	2018	5	4.03
Netherlands	2018	6	4.02
Singapore	2018	7	4
Denmark	2018	8	3.99
United Kingdom	2018	9	3.99
Finland	2018	10	3.97
India	2018	45	3.18

Source: www.worldbank.org

Logistic performance Index (LPI) calculated on following:



Performance of Maharashtra



Maharashtra ranks at 5th position at Logistics Ease Across Different States 2021 Index.

Rank	State wise scores of individual parameters	Quality of Road Infrastructure	Quality of Rail Infrastructure	Quality of Multi-Modal Terminal Infrastructure	Quality of Unimodal Terminal Infrastructure	Quality of Warehousing Infrastructure	Quality of Logistics Services	Capability of Logistics Service Providers	Reasonableness of Road Freight Rates	Reasonableness of Prices of Terminal Services
1	Gujarat	3.85	3.62	3.79	3.50	3.60	3.71	3.64	2.36	2.35
2	Haryana	3.68	3.67	3.78	3.45	3.74	3.69	3.80	2.65	2.61
3	Punjab	3.88	3.91	3.98	3.63	3.72	3.89	3.87	2.74	2.75
4	TamilNadu	3.68	3.30	3.49	3.18	3.52	3.67	3.72	2.54	2.62
5	Maharashtra	3.40	3.45	3.50	3.31	3.51	3.68	3.66	2.23	2.22
6	UttarPradesh	3.47	3.50	3.45	3.32	3.23	3.45	3.47	2.53	2.53
7	Odisha	3.28	2.97	3.28	2.91	2.81	3.52	3.49	2.07	2.35
8	Karnataka	3.51	3.33	3.41	3.14	3.50	3.52	3.52	2.42	2.49
9	AndhraPradesh	3.59	3.26	3.38	2.92	3.27	3.55	3.50	2.35	2.47
10	Telangana	3.48	3.14	3.47	2.94	3.21	3.52	3.56	2.31	2.41

Source: www.commerce.gov.in

Importance of the Policy

Maharashtra is one of the big industrialized state in India having a huge consumer market. Maharashtra is facing the following challenges which need to be overcome to seek the growth of Maharashtra in the Logistic sector.

- Non availability of Suitable land.
- Lack of Skilled manpower.
- Non availability of adequate infrastructure of road, rail, airport, port etc.
- The Sector is not organized.
- Availability of traditional warehouses with an average size of less than 10,000 Sq. Ft. and height of 3 to 4 Meters.



Objective

- Make Maharashtra an important part of the global supply chain Market.
- Replace the existing traditional Logistic activity with integrated logistic activity.
- Improve the logistic infrastructure all over the state.
- Reduce logistic costs.
- Promote the development of logistic clusters in the state.



Development of Logistic Park



Planning Authority:

Maharashtra Industrial Development Corporation (MIDC) has been appointed as a Special Planning authority for the development of Logistics Parks in the state.



**Maharashtra
Industrial
Development
Corporation (MIDC)**

Development of Logistic Park

Eligibility for development of Logistic Park?

- Private land owners or Developers appointed by them
- MIDC Leaseholder with minimum of 30 years of balance lease
- Private Land acquired by MIDC for Joint venture of Logistic Park.

MIDC shall notify such area after receipt of the proposal from the applicant and after the notification, such area shall be changed for the development of Logistic Park subject to payment of zone conversion charges as applicable.

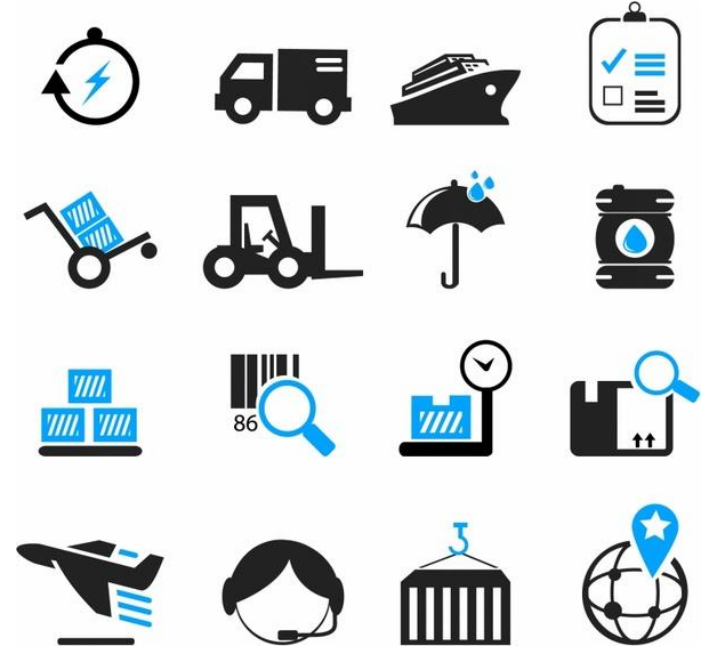


Activities and Facilities in Logistic Park



Logistic Activities

- Cargo aggregation/segregation
- Sorting, grading, packaging/repackaging, tagging/labelling
- Distribution/ Consumer Distribution.
- Inter-modal transfer of material and container
- Open and closed storage
- Ambient condition storage for the transit period
- Custom bonded warehouse
- Container freight station
- Container terminals
- Material handling equipment facilities for efficient movement and distribution of semi-finished or finished products



Activities allowed in Logistic Park



Business and Commercial Activities

- Dormitories / Guest Houses
- Canteen / Hotel / Restaurants
- Medical Centre / Hospital / Dispensary
- Petrol Pump
- Banking and finance
- Office Space
- Administration office



Activities allowed in Logistic Park

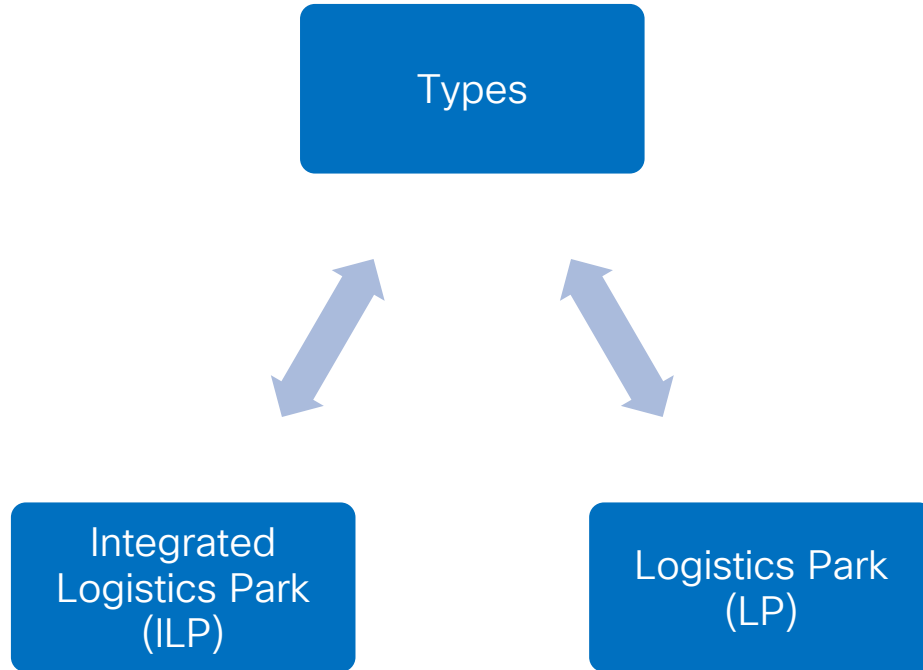


Common Facilities

- Weigh Bridge
- Skill Development centre
- Computer centre
- Sub contract exchange
- Container freight station
- Production Inspection Centre
- Repair workshop for vehicles & production machinery in the park



Types of Logistics Parks:



Integrated Logistic Park (ILP):-

- Minimum 5 Acre land with minimum 15 Mtrs. access road.
- A Minimum 70% of the total area shall be used for Logistic Services and a balance 30% area shall be used for Support Services and Common facilities.
- No permission is required for increase in minimum area above 70%. (80:20, 90:10 but not 60:40).
- Floating of FSI is permitted within respective Industrial Zone and Support activity zone separately.
- Development of ILP should be completed within 5 years from the date of issuance of the Letter of Intent (LOI) by the Director of Industries (DIC). Three Extensions of one year each shall be granted based on the merits.
- The following minimum infrastructure is required to be provided:
 - a. Internal roads
 - b. Power line
 - c. Communication facilities
 - d. Water distribution facilities
 - e. Sewage and drainage lines
 - f. Effluent treatment & disposal facilities
 - g. Fire tender arrangements
 - h. Parking etc.

Logistic Park (LP):-

- Building with a minimum 20,000 Sq. Ft. built-up area.
- A Minimum 80% of total area shall be used for Logistic Services and the balance 20% area shall be used for Support Services and Common facilities (Excluding MCGM / PMC / TMC).
- FSI will be as applicable or 1 whichever is higher.
- Development of LP should be completed within 3 years from the date of issuance of Letter of Intent (LOI) by Director of Industries (DIC). Three Extensions of one year each shall be granted based on the merits.
- Developer is required to create & maintain the infrastructure and facilities within the Logistics Park.

Benefits for ILP & LP

- **FSI** : Additional FSI up to 200% over and above of base FSI will be allowed on payment of additional premium as follows:

Sr. No.	Location as per PSI 2013	Additional Premium
1	No Industry District and Naxalism affected areas	Nil
2	Area other than PMC, TMC, MCGM, Kalyan Dombivali, Mira Bhayander, Panvel, Ulhasnagar, Ambernath, Navi Mumbai Municipal Corporation, NID and	10%
3	MCGM, PMC, TMC, Kalyan-Dombivali, Mira-Bhayander, Panvel, Ulhasnager, Ambernath, Navi Mumbai Municipal Corporation	15%



Benefits for ILP & LP

- **Industry Status** : Logistic sector will be given “**Industry**” status.
- **Ground Coverage** : Ground coverage up 75% is allowed in ILP subject to existing Fire, Setback and FSI norms.
- **Relaxation in Zone Restriction** : Logistics activity is allowed in any zone.

Zone conversation charges other than Agriculture, No Development Zone or Industrial zone at 15% of the ready reckoner rate are required to be paid if there is a need for zone conversation.

- **Relaxation in height Restriction** : Height restriction for Multi-level stacking for Open container yards would be relaxed after considering the Fire safety requirement and provisions of the National Building code. The Maximum permissible height of the building will be up to 24 Mtrs. depends on the capacity of the Fire Department & Road width.



Benefits for ILP & LP

- **Power** : Continues power at the Industrial rate except for Business and Commercial facilities.
- **Infrastructure**: MIDC and MSEDCL shall provide basic infrastructure like roads and power to ILP / LP.
- **Exemption from Labour Law** : ILP / LP shall not be covered under Labour Law.
- **Relaxation working hours**: ILP / LP are allowed to work 24/7 like IT & ITES Policy.
- **Single Window Clearance**: All the required permits shall be issued through the Government Single Window Clearance portal of “MAITRI”.
- **Upgradation of Infrastructure**: Government will upgrade the logistic infrastructure by declaring logistic zones in Bhiwandi, Panvel, Taloja, Talegaon, Nashik, Aurangabad, Nagpur, etc.



Role of ASCC



- We are leading Industrial Consultancy operating from Navi Mumbai, Maharashtra.
- We can assist you in following ways:
 - ✓ Getting Land Parcel: Acquisition of Leasehold Land or a Freehold Land for setting up the Warehousing Facility.
 - ✓ Permit and Licenses: Getting all the permission and Licenses needed for establishing and running a warehouse facility

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Thank you.

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