



Confederation of Indian Industry



CII Institute
of Logistics

BUILDING LOGISTICS CAPITALS

Policies and partnerships for progress

October 2021

BUILDING LOGISTICS CAPITALS

Policies and partnerships for progress

October 2021



Foreword

In our endeavour to accelerate growth in Logistics industry, numerous stakeholder consultations were conducted directly by the Department of Commerce and through various trade bodies as well. CII has been in the forefront of such consultative efforts and continuously engages with all stakeholders in pursuit of Logistics industry competitiveness.

This compendium of Logistics sector is one of the documents that would be very helpful for all the State and UT Governments in accomplishing AatmaNirbhar Bharat mission. It highlights the salient features of various State Governments policies and scope for improvement.

State Governments will find this compendium as a valuable handbook that can help policy makers understand various good practices and develop unified vision. Especially, the recommendations can be leveraged to benchmark current policies and include them in revisions. States that are currently in the process of formulating Logistics policies can evaluate the recommendations for inclusion in upcoming policies.

I congratulate CII Institute of Logistics and all the stakeholders who participated in developing this compendium. It synthesises progress, challenges and outlines scope for improvement. I believe that CII approach towards stakeholder consultations to seek actionable recommendations. Such inputs will play a vital role in progressive logistics policies development at both Centre and States.

Such valuable exercises will improve cohesive policy development and accelerate economic development.

Amrit Lal Meena

Additional Secretary – Logistics
Ministry of Commerce & Industry
Government of India



CAUTION
96"
HIGH



MAX. GROSS 32,500 KG
71,650 LB

TARE 3,830 KG
8,440 LB

MAX. CARGO 28,670 KG
63,210 LB

CU. CAP. 76.4 CU.M.
2,700 CU.FT.

Foreword

Logistics industry growth will be driven by outsourcing and increased investments in Logistics infrastructure and conducive policies at Centre and State level. National logistics policy is very important to accelerate and sustain the growth rate.

I hope many states will recognize logistics as an industry in near future and formulate/improve Logistics policies to accelerate development of Logistics-led planning in the country.

CII is committed to the development of logistics sector in the country.

This compendium is an outcome of our efforts to provide a clear perspective on the importance of Logistics industry in accomplishing the desired economic growth. As a humble beginning consultation were conducted with stakeholders in five states – Maharashtra, Uttar Pradesh, Haryana, Assam and Tamil Nadu.

The deliberations in these meetings and supporting research has resulted in actionable recommendations in this document. I am hopeful that it will be well received by the industry and the policy makers as well.

CII Institute of Logistics would like to thank Dr.K.Ganesh, Senior Knowledge Expert & Global Lead, McKinsey & Company and Ms. Smriti Sharma, Head, Public Policy (Operations), Amazon for their active participation and valuable inputs in development of this compendium.

We will continue with ongoing stakeholder consultations in remaining states and assist in building Logistics plans for the states. I would like to suggest the readers to share valuable feedback with us.

R Dinesh

Chairman

CII Institute of Logistics & Managing Director

TVS Supply Chain Solutions Limited



CONTENTS

| | |
|--|----|
| Executive summary | 11 |
| CII Stakeholder consultation methodology | 12 |
| 01 India's economy and role of logistics | 13 |
| 02 Snapshot of warehousing and transportation in India | 20 |
| 03 Regulatory landscape for warehousing and transportation | 24 |
| 04 Logistics and role of States | 28 |
| 05 Recommendations | 34 |



Executive summary

India is on the cusp of taking leadership in the global arena. Honourable Prime Minister Shri Narendra Modi has envisioned India to be Aatmanirbhar Bharat. India has a thriving base of large and small companies. The large size of the domestic market has in fact attracted many multi nationals to come and set up their manufacturing and retail base in India. The next step in this journey is to make India's warehousing and logistics Aatmanirbhar.

The market for logistics in India is valued at approximately \$200 billion with CAGR of 10 percent expected in next 5 years. This can be further split into transportation and warehousing. While transportation constitutes approximately 88-90 percent of logistics, warehousing is remaining 10 percent. The logistics market is highly unorganised with only 15 percent share in the hands of the organised players.

Presently, India ranks 44th on Logistics Performance Index. This is due to higher costs of logistics, skewed modal mix, high over-heads due to lack of last mile connectivity and shortage of skilled manpower. India needs to improve its warehousing and logistics to connect its manufacturers, sellers to both the domestic as well as international markets.

The much awaited National Logistics Policy will be a guiding document for the country to streamline and reform its logistics. Meanwhile, many States have formulated their own vision regarding logistics and warehousing in their State policies.

CII Centre of Excellence in Logistics and Supply chain (CII Institute of Logistics) has documented a useful compendium of logistics policies of five States to capture a snapshot of how States are looking at incentivising and promoting logistics and warehousing. The Institute has facilitated five stakeholder roundtables in States of Maharashtra, Uttar Pradesh, Tamil Nadu, Assam and Haryana. Logistics and warehousing experts from industry, think tanks, academia interacted in closed door dialogue with State government and provided suggestions on the role government and industry can play in creating multiple logistics hubs in the country.

The deliberations and suggestions were made on a variety of topics including:

1. How to create quality warehousing and distribution infrastructure?
2. How to create safe, secure and robust transportation infrastructure?
3. Which process and systems can be digitised and what is right mix of human and automation?
4. What labour reforms are required in the logistics sector and how quality talent can be attracted and retained by the industry?
5. What incentives (fiscal and non-fiscal) are required from government to promote logistics and warehousing industry?

CII Stakeholder consultation methodology

The CII was instrumental in the development of the Draft National Logistics Policy and continues to urge governments to devote more resources for logistics progress. Only a few State governments have taken the lead in implementing innovative logistics and warehousing policies. If state policies are aligned with those of the federal government, the logistics sector will grow exponentially. The CII expanded its stakeholder consultation process with the goal of identifying potential logistics hub locations. This multi-phased consultation process began with the five focus states as the starting point. As part of a focus group discussion, experts from industry, government, academia, and policy think tanks participated in each stakeholder engagement process. "Policies and partnerships for building logistics capital in every state" was a common theme in all of the focus group discussions.

Logistics policies of 5 States of India - Maharashtra (West), Uttar Pradesh (North), Haryana (North), Tamil Nadu (South), and Assam (East) were studied and analysed. The states were chosen to represent a microcosm of the country's logistics policy environment, with some states having already developed well-defined logistics policies while others are still in the draft stage. Three of the five states Uttar Pradesh, Haryana, and Assam have well-established logistics policies. On the other hand, Tamil Nadu and Maharashtra are in the process of developing comprehensive logistics plans. Both Tamil Nadu and Maharashtra have industrial policies that include sections dedicated to logistics.

Industry and government representatives participated in the five online stakeholder consultation processes. Deliberations were on a variety of issues including but not limited to questions such as:

1. How to create quality warehousing and distribution infrastructure?
2. How to create safe, secure and robust transportation infrastructure?
3. Which process and systems can be digitised and what is right mix of human and automation?
4. What labour reforms are required in the logistics sector and how quality talent can be attracted and retained by the industry?
5. What incentives (fiscal and non-fiscal) are required from government to promote logistics and warehousing industry?

This analysis is by no means complete, and it only serves as an example of proactive measures taken by the states consulted in this study. However, it is our sincere hope that other States will benefit from this exercise and help India become a strong logistics hub in the spirit of cooperative federalism.

Summary of stakeholder consultation meetings.



Maharashtra

15 December 2020

Dr P Anbalagan

Chief Executive Officer
M.I.D.C (Maharashtra
Industrial Development
Corporation

Mr Mehul Shah

Chief Executive Officer
Logos Property

Mr Mohandas Menon

CEO - Contract Logistics
Stellar Value Chain
Solutions

Mr S Karthikeyan

Principal Counsellor
CII Sohrabji Godrej Green
Business Centre



Uttar Pradesh

8 January 2021

Mr Alok Kumar

Additional Chief Secretary
Infrastructure & Industrial
Development Department
Govt. of U.P

Mr Rahul Nair

Managing Director
IndoSpace Capital
Advisors Pvt. Ltd.

Mr Sukhwinder Singh

Regional Business
Head – North
Blue Dart

Mr Abhinav Singh

Director – Logistics
Amazon



Tamil Nadu

29 January 2021

Dr Neeraj Mittal

Managing Director &
CEO, Guidance
Tamil Nadu, Govt. of
Tamil Nadu

Mr Jasmine Singh

Senior Executive
Director
CBRE South Asia
Pvt. Ltd.

Mr Unupom Kausik

President National
Collateral
Management
Services

Mr Girija Shanker

Chief Sales &
Solutions Officer
TVS Supply Chain
Solutions Ltd.

Mr Nilesh Karkhanis

General Manager Real
Estate, Amazon



Assam

4 February 2021

Mr K J Hilaly

Additional Secretary
Industries & Commerce
Department
Govt. of Assam

Mr KB Nagaraju

Director
Big Basket

Mr Vikram Mansukhani

COO & Country Head
TVS Supply Chain
Solutions Ltd.

Mr Jerry Kingsley

Senior Director Capital
Markets
Jones Lang LaSalle



Haryana

12 February 2021

Mr Petluri Srinivas

Member
Warehousing
Development and
Regulatory Authority
Govt. of India

Mr Rajesh Aggarwal

Additional Director
Department of
Industries &
Commerce
Govt. of Haryana

**Mr Subhasish
Chakraborty**

Chairman &
Managing Director
DTDC Courier &
Cargo Limited

**Mr Satyam
Chaudhary**

Senior Director
Flipkart

Mr Abhinav Singh

Director Logistics
Amazon



01

India's economy and role of logistics

Logistics as part of GDP

India is the sixth-largest economy in the world behind United Kingdom¹. The Government has set a target of becoming a USD5-trillion economy by 2030. It is expected that the domestic economy would emerge as the world's third-largest economy in FY32². In this pursuit of growth, it is anticipated that the urban India will account for nearly 75 percent of the GDP³.

Logistics is an integral activity in agriculture, industry, and services sectors. Transportation, logistics and wholesale together account for 10 percent of GDP⁴. Focused logistics policies by state governments offer potential to create employment for directly 1 Lakh and indirectly 2 Lakh people⁵. Establishment of multimodal logistics park in a state can provide nearly 20 lakhs direct and indirect jobs in a state⁶.

Logistics plays key role in boosting economy

Recognizing the critical role of logistics in economic development is very important to prioritise areas of focus, formulate appropriate policies and encourage stakeholders.

Logistics boosts economic development by improving industrial competitiveness, enables AatmaNirbhar Bharat, creates unified market and connects Indian MSME to global markets.

— Improve industrial competitiveness:

The logistics sector has an important mission in revitalizing and improvement of the competitiveness of other industries. Improvements in storage and distribution capabilities will lead to enhancements in industrial competitiveness, domestic and international trade. The direct impact would be in the form of significant productivity and efficiency gains. For example, improved consumer goods warehousing will lead to reduced lead times and cold storages would directly reduce wastages in food supply chain. Standardization in transport and storage services would further increase operational efficiency by reducing turnaround time.

“

At a time when the country is on the AatmaNirbhar Bharat mission, one of its goals is also to increase India's share in the global supply chain in exports manifold. Today we have to ensure that we get access according to the international demand so that our business can scale up and grow. Our industry will also have to embrace the best technology, focus on innovation and increase its share in R&D. This can only result in the growth of our share in the global value chain. While encouraging competition and excellence, we have to prepare global champions in every sector.

Reduce the burden of India Inc drastically by doing away with as many as 6,000 compliance requirements, further improve ease of doing business and create multi-modal infrastructure to trim logistics costs¹

— Narendra Modi, PM

¹ Mid Day Prime | PM Modi addresses webinar focuses on PLI scheme, Doordarshan, 5 March 2021. [Access here](#)



¹ Projected GDP ranking, International Monetary Fund World Economic Outlook (April - 2021).

² India to become third-largest economy in a decade: BofA Securities, Bank of America Securities report, Business Standard, March 2021.

³ India 2030 – Exploring the future, CBRE research, 2019. [Access here](#).

⁴ (SC05) Transportation, Logistics and Wholesale (C2651,C301_3,G46,H491_2,H50,H51,H52,N79), IHS Markit, 2019.

⁵ Telangana Cabinet approves logistics policy for state to boost e-commerce, ANI, Business standard, July 2021. [Access here](#).

⁶ Union Minister for Road Transport, Highways and MSMEs Shri Nitin Gadkari, PIB, Oct 2020. [Access here](#).

- **Enable Atmanirbhar Bharat:** Logistics is a key capability to produce for India and the world. Well-coordinated logistics activities strengthen and improve reliability of supply chains. The recent AatmaNirbhar Bharat Abhiyan package, which included measures towards improving the state of the warehouses in the agri-space is a good example. Rs. 1 trillion agriculture infrastructure fund will aid in post-harvest management and marketing of agricultural produce, in turn helping improve farm-gate prices. The scheme will provide better warehousing and cold storage facilities for farmers⁷.
- **Unified market in India:** Connectivity by various modes of transportation will lead to increased economic activity. Transport corridors influence economic outcomes by increasing market access and trade across connected locations. A study in 2014 attributed 43 percent of the observed increase in manufacturing activity to the Golden Quadrilateral upgrade⁸. It may be noted that a total of around 34,800 km roads are being considered in Bharatmala Pariyojana (BMP) Phase-I, which also includes 10,000 km of balance road works. Estimated outlay for BMP Phase-I was Rs 5.35 lakh crore spread over five years between 2017-2022, as per the initial plan⁹. In the Union Budget 2021, a much-needed impetus was provided to development of logistics infrastructure. The budget has an outlay of Rs. 1.18 lakh crore, for roads and highways. The results of such investments in transport infrastructure would result in creating unified market in India and increased manufacturing activity as well.
- **Enable MSME to access global markets:** Development of ecommerce logistics presents opportunity for “Made in India” products to compete in global markets. Recent success of such programs through leading international ecommerce platform indicate that 60,000 Indian sellers offering 150 million ‘Made-in-India’ products across 12 international markets. The potential is immense, if such opportunity is extended to 60-70 million small and medium businesses (SMBs) in India¹⁰.

Challenges with India’s logistics

India’s logistics industry is a highly human resource intensive industry in a complex operating environment with more than 20 government agencies, 40 partnering government agencies (PGAs), 37 export promotion councils, 500 certifications, 10000 commodities, 160 billion market size. It also involves 12 million employment base, 200 shipping agencies, 36 logistic services, 129 ICDs, 168 CFSs, 50 IT ecosystems and banks & insurance agencies. Further, 81 authorities and 500 certificates are required for EXIM¹¹.

Existing challenges to conduct efficient logistics activities can be best viewed from the dimensions of World Bank’s Logistics performance index (LPI). In 2018, India has been ranked 44th among the list of 167 countries¹². The ongoing developmental work in the areas of policy reforms, infrastructure development, digitalization initiatives and capacity development would result in quantum jump ranking.

⁷ Rs 1 trn announced for strengthening agri-infra, cold storage: Tomar, Business standard, Jan2021.

⁸ Ghani, Ejaz, Arti Grover Goswami, and William R. Kerr. “Highway to Success: The Impact of the Golden Quadrilateral Project for the Location and Performance of Indian Manufacturing.” *Economic Journal (Royal Economic Society)* 126, no. 591 (March 2016): 317-357.

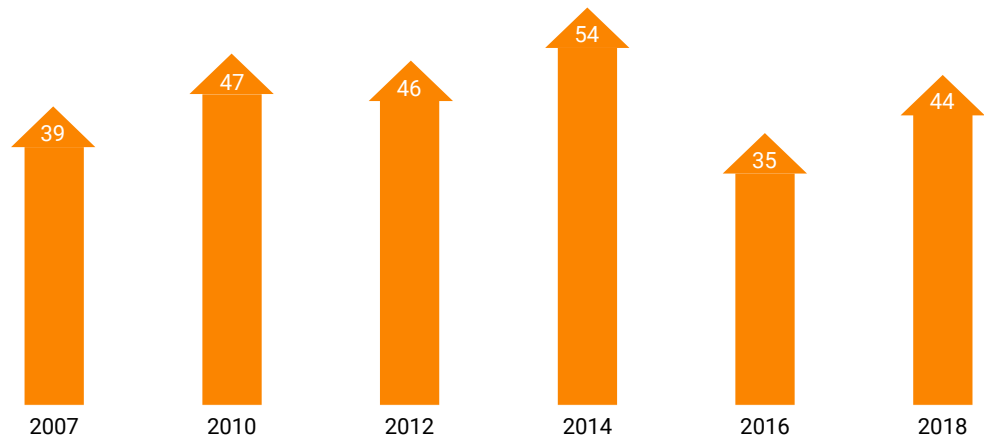
⁹ Bharatmala Pariyojana Phase 1, MoRTH. Access [here](#).

¹⁰ Amazon’s GSP connects Indian sellers to global markets, The Hindu Businessline, February 2020. Access [here](#).

¹¹ Department of Commerce Developing National Logistics Portal, MoCI, 2018. Access [here](#).

¹² Connecting to compete, Full report, World Bank, 2018. Access [here](#).

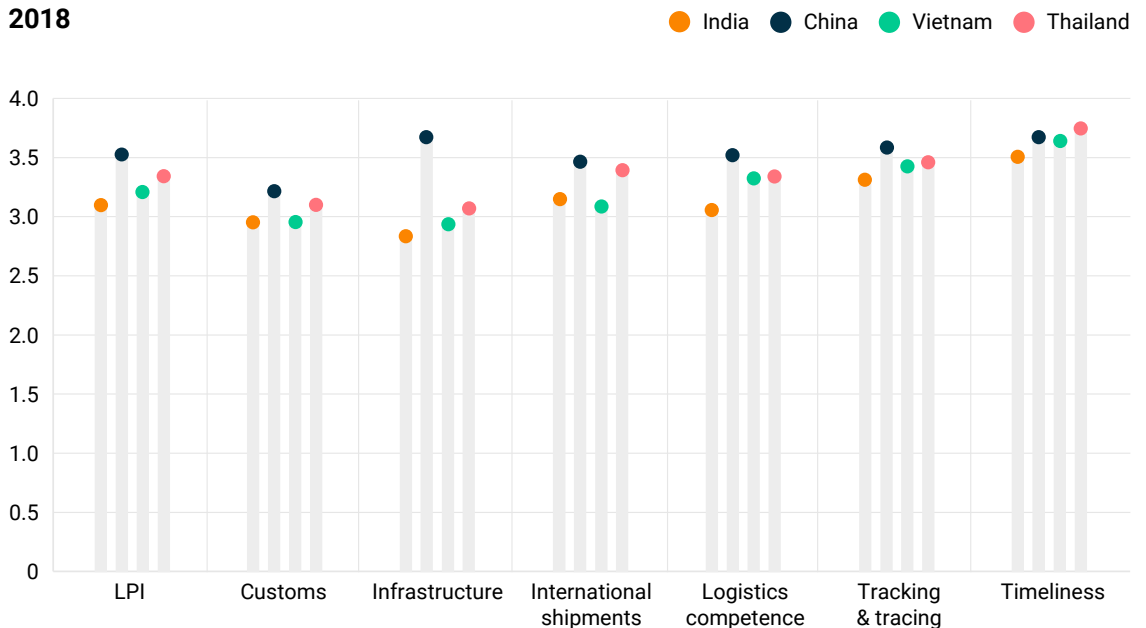
India's LPI Rank.



The LPI serves as a benchmark to compare with other countries on broad parameters such as timeliness, tracking and tracing, logistics competence, international shipments, infrastructure, and customs. Such a comparison provides insights into areas that require attention and prioritization. India ranked 44 on LPI in 2018. Meanwhile, China, Vietnam and Thailand ranked 26, 39 and 32 respectively. In comparison to China, India lags in all parameters, with the widest gap in logistics infrastructure. Further comparison with South East Asian countries such as Thailand and Vietnam indicated opportunity for improvement in all six dimensions.

- **Higher total logistics costs:** Current logistics cost of India is 14 percent of total GDP¹³. The core elements of logistics costs include handling and loading/ unloading, packaging, insurance, transportation, management and administration. Transportation accounts nearly to 50 percent of the total logistics costs. Fluctuating and rising fuel prices have direct impact on transport cost. During the year 2020- 21, it is estimated that 30 to 35 percent increase in the diesel price has contributed around 25 percent to 30 percent increase in the freight rates¹⁴.

2018



¹³ Goods on the move, Niti Aayog, 2018.

¹⁴ Freight rates up by 25 percent due to hike in diesel prices: AITWA, Mint, March 2021. Access [here](#).

- **Skewed modal mix:** The modal mix in India is skewed towards high-cost road transport, which accounts for 60 percent of logistics. Two key barriers to practice modal mix are absence of single transport document and appropriate pricing.

Building a multimodal freight ecosystem with a greater share of low-cost rail and water modes, and logistics marketplaces could drive down cost by 20 to 25 percent¹⁵.

- **Overheads due to lack of last-mile connectivity:** Meshing of national and state highways, rail network, airport network and in-land waterways improves connectivity. However, transportation of goods from a transportation hub to its final destination is a challenge. Many of the country's industrial clusters, mainly comprising of MSMEs are located in tier 2 cities such as Kishangarh, Agra, Kanpur, Moradabad, Firozabad, Tirupur, Erode, Karur and Salem. India has around 750 last-mile links with less than 100 km distance. They connect industrial belts, ports, and distribution centres to highways and major long-haul connectors. However, inadequate connectivity adds to indirect cost of last-mile delivery¹⁶.

- **Human resources employment and competencies:** Traditionally, logistics comprises manpower intensive activities. While human resources are abundant in India, there is acute shortage of skilled manpower. The shortage of truck drivers, operator and supervisory level workforce is one of the key challenges. In 2017, the sector employed approximately over 18.3 million people¹⁷ and is estimated to employ more than 28.4 million employees by 2022¹⁸. Road freight, warehousing, courier services, packaging and rail freight together account to 40 percent of the total logistics employment in the country. Balance of 60 percent employment is provided by passenger transport (road and railways).

Skills, competencies and training of present and future workforce is a barrier. The soft infrastructure related to such human capital development in the country is very minimal. Vocational and mainstream University programs in logistics are yet to attract significant enrolments. There is greater need for private participation to improve training and skill development levels.

Also, in states such as Himachal Pradesh, Kerala and West Bengal, unionisation of labour leads to higher logistics costs. In large warehouse operations, the challenge is compounded by higher costs related to worker background check for hiring.

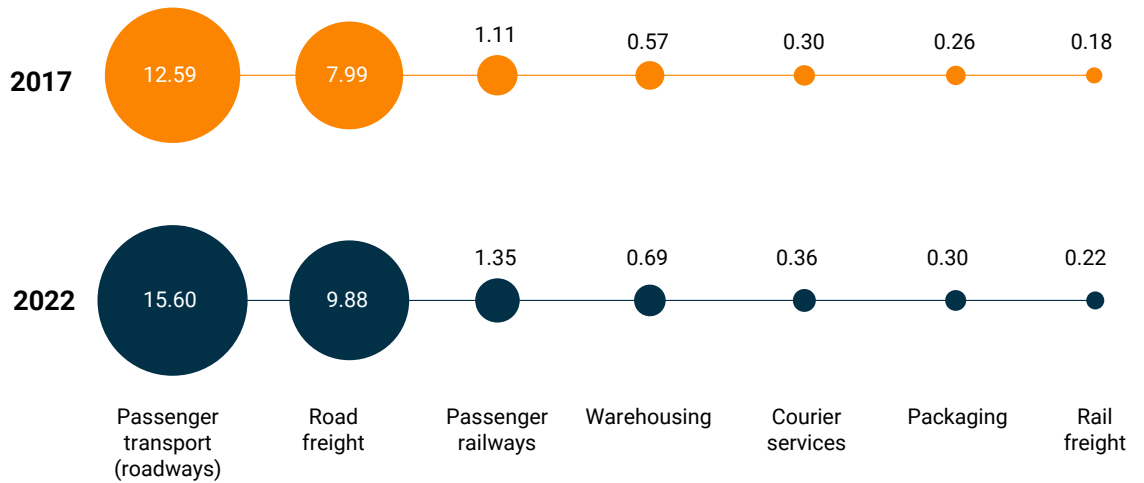
¹⁵ India's turning point, McKinsey Global Institute, 2020. Access [here](#).

¹⁶ Building India, Transforming the nation's logistics infrastructure, 2020. Access [here](#).

¹⁷ ILO, Periodic Labour Force Survey of India 2018-2019.

¹⁸ Human resource and skill requirements in the transportation, logistics, warehousing and packaging sector, MSDE, 2017-22. Access [here](#).

Logistics employment estimate 2022.



The need of the hour today and India cannot be competitive as long as our logistics cost remain so high¹

– Piyush Goyal,
Commerce and Industry Minister

The country needs development but there is a need to maintain ecology and environment, as well²

– Nitin Gadkari, Union Minister for
Road Transport, Highways

¹ Maritime India summit, 3rd March 2021.

² Virtual National Roads & Highways Summit, 24 March 2021.



02

Snapshot of warehousing and transportation in India

The market for logistics in India is valued at approximately \$200 billion (INR 14,500 billion) with CAGR of 10 percent expected in next 5 years¹⁹. This can be further split into transportation and warehousing. While transportation constitutes approximately 88-90 percent of logistics, warehousing is remaining 10 percent²⁰. The logistics market is highly unorganised with only 15 percent share in the hands of the organised players.

Key segments that drive demand for logistics include manufacturing, engineering, agriculture, retail and ecommerce.

Warehousing

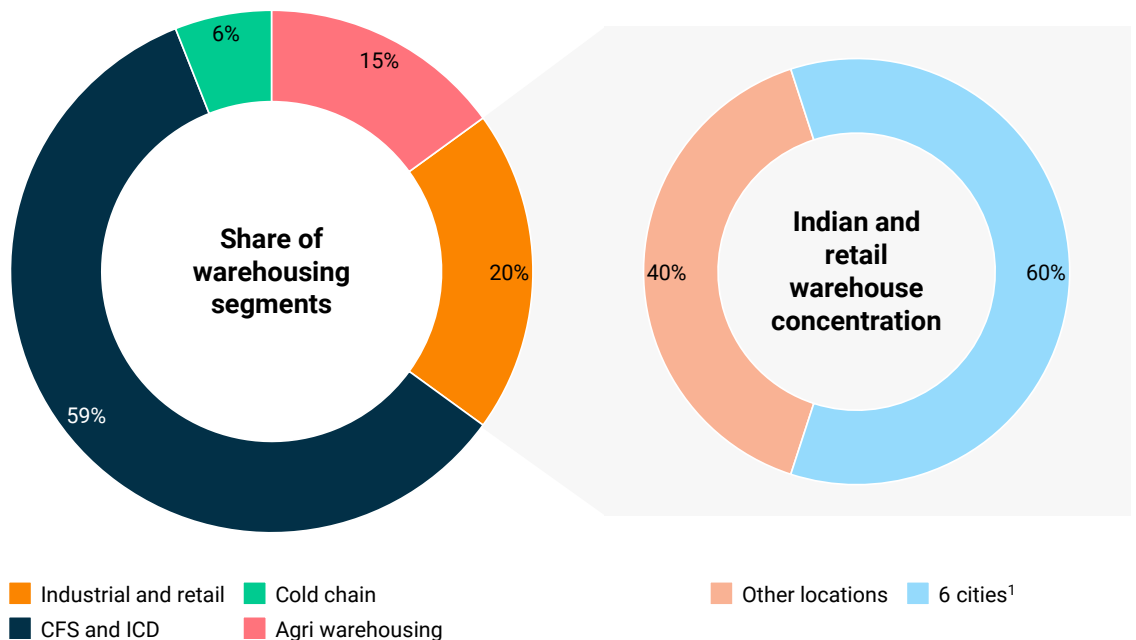
The organised warehousing market is sub divided into four industrial segments namely agricultural warehousing, industrial warehousing, cold storage, and container freight station or inland container depot (CFS/ICD).

1,800

million square feet

- **Agricultural warehousing:** India has a total agricultural warehousing capacity of ~91 million metric tonnes. This constitutes approximately 15 percent of the total warehousing in the country. While 70 percent of the agricultural warehouses are divided between Food Corporation of India (FCI), Central Warehousing Corporation (CWC), State Warehousing Corporation (SWC) and the co-operative sector, the remaining 30 percent capacity is managed by the private sector²¹.
- **Industrial warehousing:** Industrial warehousing constitutes 86 percent of 1800 million sq.ft²² total warehouse space in the country. The concentration of industrial activity and urban population has led to concentration of modern warehousing to six major clusters around cities like Ahmedabad, Bangalore, Chennai, Delhi, Mumbai and Pune. These clusters together comprise nearly 60 percent of the modern warehousing capacity in India²³.

Warehouse space and capacity summary, Million square feet



¹ Ahmedabad, Bangalore, Chennai, Delhi, Mumbai and Pune.

¹⁹ Fast and Furious - Riding the next growth wave of logistics in India and China. McKinsey and Co. September 2019. Access [here](#).

²⁰ Logistics sector update, Edelwiess, May 2020.

²¹ Economic survey 2020-21, Volume II, February 2021, Ministry of Finance, GoI, Access [here](#).

²² India, Three year action agenda, 2017-2020, Niti Aayog, 2017. Access [here](#).

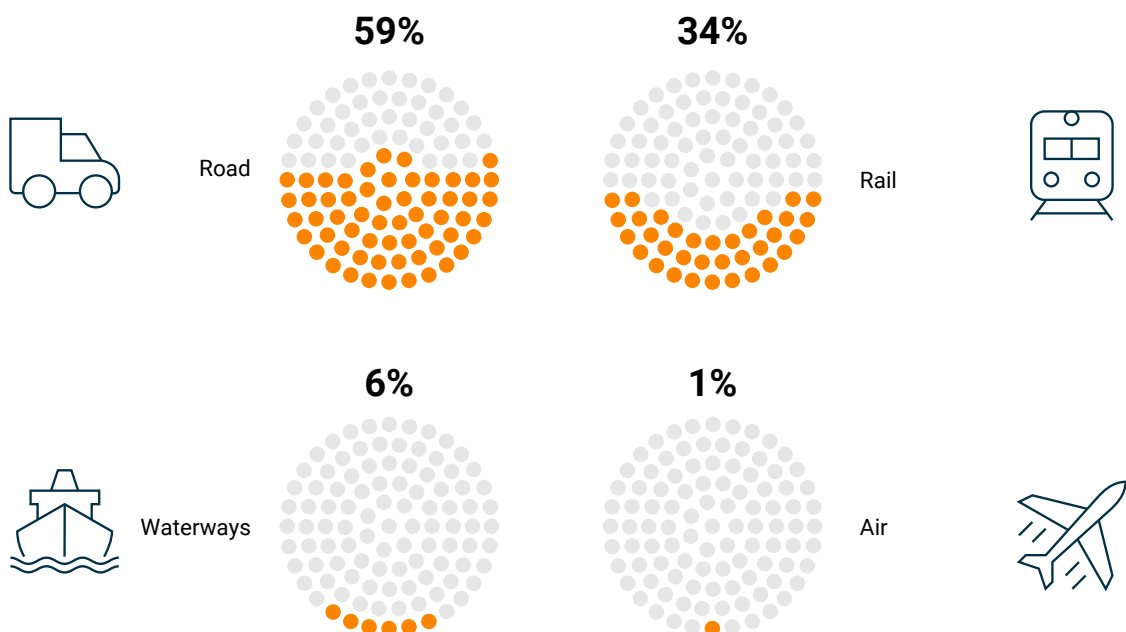
²³ Report of the working group on development of regulated warehousing ecosystem for non-agriculture commodities, Department of economic affairs, Ministry of Finance, GoI, 2019. Access [here](#).

- **Cold storage:** There are 8186 number of cold storages with capacity of 374.25 Lakh MT is available in the country for storing perishable horticulture produce like fruits and vegetables²⁴.
- **CFS/ICD:** Major ports in India have a total handling capacity of 1534 million metric tonnes²⁵. The cargo traffic is expected to grow over 3300 million metric tonnes in next five years²⁶. Container freight stations (CFS) and Inland container depots (ICD) are connected to a seaport either by rail or road and serve as a transshipment point for export and import cargo. In addition to being transshipment points, they offer services for handling and temporary storage of import/export laden and empty containers, warehousing, temporary admissions, re-export. According to data maintained by Department of Commerce, as of March 2017 there were 129 ICDs and 168 CFSs²⁷.

Transportation

The freight transportation market is subdivided into rail, road, waterways and air. In India, freight transport is road-dominated—accounting for 59 percent of freight movement. 34 percent of freight demand is met by rail, 6 percent by waterways and less than 1 percent by air²⁸.

- India's road network is the second largest in the world transporting over 2.2 trillion metric ton kilometres, annually²⁹. The total length of national highways has increased to 1,37,625 km (as on 20 March 2021) from 91,287 km in April 2014³⁰.



²⁴ Cold Storage Facilities in India. Ministry of Agriculture and Farmers Welfare. September 2020. Access [here](#).

²⁵ Update on Indian port sector, Transport research wing, Ministry of Shipping, GoI, March 2020.

²⁶ Port modernization and new port development, Sagarmala, Ministry of Ports, Shipping and Waterways, GoI, 2019. Access [here](#).

²⁷ Performance Audit of Working of Inland Container Depots (ICDs) and Container Freight Stations (CFSs), Department of Revenue Indirect tax, 2018. Access [here](#).

²⁸ Goods on the move- Efficiency and Sustainability in Indian Logistics. NITI Aayog. September 2018. Access [here](#).

²⁹ Road transport year book, 2016-17, Ministry of Road Transport and Highways, GoI. Access [here](#).

³⁰ Despite lockdown, national highway construction hits all-time high of 36.4 km/day in 2020-21, The Print, April 2021. Access [here](#).

- India's rail network is the fourth largest and second busiest in the world, transporting 1.2 billion tonnes of freight traffic every year over a network of 68000 kms³¹. About 93 percent of the rail network comprises of broad gauge, 4 percent of meter gauge and 3 percent of narrow gauge. Almost all double/multiple track sections and electrified routes are broad gauge. Metre and narrow gauges are mostly single line and nonelectrified³².
- In order to promote Inland Water Transport (IWT) in the country, Government has notified 111 inland waterways as National Waterways (NWs) spread over 24 states. The government wants to promote inland waterways especially as a supplement to freight movement across India. This mode of transport has been recognised worldwide as environmentally friendly and economical, especially for cargo that do not depend on speed of delivery. The total and navigable length of Waterways in different States during 2019-20 is 15045.74 kms.
- India has seven dedicated air freighters which is ~1 percent of commercial aviation in India. Global freighter share is 8 percent of the commercial aviation. These dedicated freighters serve only 7-8 domestic airports. 60 percent of all international air-cargo capacity was in the bellies of passenger aircraft. Due to the pandemic situation, the share of freighters is likely to increase in next 3 years as globally many airlines continue to convert passenger to freighter jets³³.

³¹ Freight Operations Information System, Ministry of Railways, 2021. Access [here](#).

³² Indian railway civil engineering portal, 2021. Access [here](#).

³³ Air cargo remains single bright spot for aviation sector in 2021, Bloomberg, Feb 2021. Access [here](#).



03

Regulatory landscape for warehousing and transportation

Laws governing logistics

There is no central law as such that governs logistics in India. The Department of Commerce is currently working on different policy initiatives/ logistics reforms. These include-

1. The Draft National Logistics Policy was published by the Ministry of Commerce - Logistics division on 5th Feb 2019. The draft Policy aims at reducing logistics cost from 14 percent to less than 10 percent by 2022. The Policy will provide an impulse to India's industrial competitiveness and thus have a positive impact on the exports. The Policy will facilitate in creating a point of reference for all matters relating to logistics and trade which will also function as an information and knowledge sharing platform. The policy is currently being finalised with the goal of lowering logistical costs, improving processes, promoting seamless goods movement, and connecting various modes of transportation/stakeholders through technological platforms.
2. Agri-commodities warehousing is currently governed by the major Union statute, Warehousing (Development and Regulation) Act, 2007 (WDR Act). The WDR Act provided registration process for warehouses and established the Warehousing Development and Regulation Authority (WDRA) to oversee such registration. The Authority determines the number of accreditation agencies as it may authorise to issue certificate of accreditation to warehouses issuing negotiable warehouse receipts. Warehousemen's responsibilities and liabilities are also established by the Act.
3. Under the Warehousing Corporations Act of 1962, the Central Warehousing Corporation (CWC) was established as a Central Public Sector Enterprise to provide logistics support to the agricultural sector. Currently, services such as food grain storage, industrial warehousing, custom bonded warehousing, and others are available. Storage, handling, transportation, fumigation, and other services are available through the CWC. State governments can also create specific warehousing corporations under the WCA. Rajasthan, for example, has established the Rajasthan State Warehousing Corporation as part of the WCA.
4. (Customs) Private Warehouse Licensing Regulations, 2016, issued under the Customs Act 1962, provide licensing requirements and other such details for operating private warehouses that store dutiable imported goods.
5. Logistics also interacts with different activities, such as road transport, railways, freight, etc. which are governed by different laws. These including the Carriage of Road Act 2007, the Railways Act, 1989, the Carriage of Air Act, 1972, the (Indian) Bills of Lading Act, 1856, the Carriage of Goods by Sea Act, 1925, the Merchant Shipping Act, 1958 and the Multimodal Transportation of Goods Act, 1993 (MMTG Act).

Regulatory environment for logistics

India's logistics sector consists of more than 20 government agencies, 40 PGAs, 37 export promotion councils, 500 certifications and 10000 commodities.

The responsibility to ensure integrated development of the logistics sector in India rests with the Department of Commerce (DoC, administered by the Ministry of Commerce and Industry). In July 2017, the government of India created the logistics division under the DoC. The division is – (i) headed by a Special Secretary to the government of India, and (ii) responsible for developing an Action Plan for the sector including framing policies, improving existing procedures, identifying bottlenecks and gaps, introducing technology in this sector³⁴.

Furthermore, the government has established an inter-ministerial committee on logistics, which includes representatives from the Department of Commerce, the Ministry of Road Transport and Highways (MORTH), the Railway Board, the Ministry of Shipping, the Department of Economic Affairs, the Department of Telecommunications, MeitY, the Department of Food and Public Distribution, and the Department of Expenditure. This committee aims at development of action plan for the integrated development of the Logistics sector in the country.

³⁴ Logistics, Functions of the division, Department of Commerce, Ministry of Commerce and Industry. Access [here](#).

Urban freight in logistics

The Logistics Division under the Ministry of Commerce and Industry has decided to work in a planned manner to improve the city freight movement. The demand for urban freight is expected to grow by 140 percent over the next 10 years. Final-mile freight movement in Indian cities is currently responsible for 50 percent of total logistics costs in India's growing e-commerce supply chains. Improving city logistics would also enable efficient freight movement and bring down the logistics costs boosting all sectors of the economy.

The need for focus on city logistics was first discussed with States/UTs during the first National Conference of States on Logistics on 19th January 2021. Taking this forward, the Logistics Division has consulted with subject experts and technical organizations to devise a roadmap for improvement in freight movement in the Indian cities.

The roadmap envisions the concept of 'Freight Smart Cities' to improve the efficiency of urban freight and create an opportunity for reduction in the logistics costs. On 02 July 2021, Minister of State for Commerce and Industry, Sh. Hardeep Singh released a handbook outlining 14 measures that can be taken to improve urban freight.

The handbook provides recommendations in four critical areas of (i) optimising usage of vehicles to avoid traffic and save costs; (ii) developing urban logistics infrastructure to consolidate goods; (iii) planning land use for industries, parking and low emission zones; and (iv) deploying technology to make better decisions and save costs.

List of solution categories and associated measures for cities and states to deploy.



VEHICLE USE OPTIMIZATION

Night-time deliveries

Shifting truck traffic to off-peak hours during the night

Developing truck routes

Developing separate routes for truck operation

Reverse logistics

Picking up returned goods to avoid empty running



INFRASTRUCTURE DEVELOPMENT

Urban consolidation centres (UCCs)

Government-run or subsidized warehouses located in the urban core that act as consolidation points

Urban logistics spaces and hotels

Infrastructure within the urban core to temporarily store goods prior to urban deliveries

Logistics development and logistics parks

Warehousing and transportation infrastructure and customer services to aggregate industrial and logistics activities at a single facility

Parcel delivery terminals

Automated parcel delivery terminal by Smartbox



DEMAND AND LAND USE PLANNING

Industrial planning

Long-term industrial land use planning to designate manufacturing or industrial units

Bypasses and ring roads planning

Building routes for heavy transport around a city instead of through it

Modal shift planning

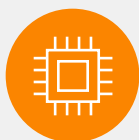
Shifting transportation modes from road to rail or waterways

Parking and unloading zones

Allocating spaces for freight use in the city

Low-emission zones (LEZs)

Creating areas where internal combustion engine vehicles are restricted



TECHNOLOGY ADOPTION

Using Intelligent Transportation Systems

Using advanced technology and digital intelligent decision-making tools to make existing infrastructure efficient

Promoting electrification of urban freight

Deploying electric vehicles for deliveries to reduce costs and emissions



04

Logistics and role of States

The 7th schedule of Article 246 of the Constitution of India outlines the separation of powers between the Union and the States. There are three lists based on who has powers to pass laws on the subjects covered under the list- Union List, State List and Concurrent List. However, when it comes to logistics regulatory framework, the boundaries are not clearly specified. Neither of the terms “warehousing” or “logistics” are defined in the Constitution. Hence, both the Centre and States can pass laws relating to different aspects of warehousing activities.

Based on the lists in the 7th schedule³⁵, States can enact laws to regulate the production, supply, and distribution of goods. Trade and commerce and all modes of transportation within a State’s geographical boundaries are governed by the State laws. Hence, warehousing is viewed as a state subject.

On the other hand, all modes of transport that help facilitate inter-state trade, like national highways, railways, ports etc. are under the governance of the Centre. It can also pass laws relating to trade and commerce with foreign countries and other matters that are not covered under the lists.

Several states have laws requiring warehouses to obtain a licence from the state government. In accordance with the seventh schedule of Article 246 of the constitution, industrialised states have implemented forward-looking strategies to improve state logistics competitiveness. Madhya Pradesh, Haryana, Uttar Pradesh, Chhattisgarh, Karnataka, and Assam are six states with well-defined logistics policies. Nine states are working to build focused logistics policies: Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, West Bengal, Punjab, Gujarat, Rajasthan, and Kerala.

Logistics policies of five focus states

MAHARASHTRA

Logistics Parks Policy, 2018

- Logistics parks can be established on freehold or leased land
- Minimum 5 Acres Land with minimum 15 metres road width needed to build a logistics park
- Logistics parks permitted to carry out logistics services 24x7
- Permissible Floor Space Index for Logistic Park is 1
 - Additional FSI up to 2 can be purchased by paying premium (10-15 percent).
 - Minimum of 70 percent FSI to be used for Logistic Services
 - 30 percent can be used for support services and common facilities
- Power charged at the Industrial rate
- Industrial clearance provided through single window investor facilitation cell MAITRI
- Logistic Facilities will be permitted in any zone across the state
- Height up to 24 metres allowed as per the provisions of the National Building code
- Skill development department to train people for jobs such as drivers, cash handlers, security guards etc
- An empowered inter-departmental committee under the Chairmanship of Chief Secretary to resolve problems.

³⁵ Article 246 (2), The Constitution of India [As on 9th December 2020], Legislative Department, Ministry of Law and Justice, GOI. Access [here](#).

Warehousing and Logistics Policy, 2018

- Logistics parks developed in minimum 25 Acres Land will be eligible for incentives
- Minimum investments and area required to claim Logistics infrastructure incentives
 - INR 50 crore and area of 10 acres for Container Freight Station (CFS) or Inland Container Depot (ICD)
 - INR 25 crore and area of 1 lakh sq.ft. for warehousing facility
 - INR 15 crore and area of 20,000 sq.ft for Cold chain facility
- 50 percent concession on land use conversion charges
- Only 25 percent of the total development charges
- Incentives to Logistics Parks developed on more than 50 acres of land area
 - Capital Interest Subsidy up to 5 percent per annum for 5 years, subject to maximum of INR 2 crores per annum per unit, with an overall ceiling limit of INR 10 crores
 - Infrastructure Interest Subsidy up to 5 percent per annum for 5 years, subject to maximum of INR 2 crores per annum per unit, with an overall ceiling limit of INR 10 crores
 - 100 percent reimbursement/exemption of stamp duty paid on purchase of land
 - 100 percent exemption of electricity duty for 10 years
- 50 percent of cost of quality certification up to maximum INR 1.5 lakhs, will be reimbursed to warehouse units
- Skill training in Warehouse management, Logistics management, etc. will be reimbursed INR 1000 per trainee per month for 6 months and up to maximum 50 trainees per annum for 5 years
- EPF reimbursement will be to the extent of 50 percent of employer's contribution
- Incentives on purchase of Transport Vehicles
 - 2 percent exemption in vehicle registration fee on purchase of 50 vehicles, min 10 MT capacity each
 - 30 percent Road tax exemption on purchase of above fleet
 - 100 percent Road tax exemption on purchase of at least 50 Hybrid or Plug-in-Electric or Electric Cargo Vehicles, min 1 MT capacity each
- Interest subsidy to the extent of 5 percent per annum for setting up automated supply chain technology subject to maximum ceiling of INR 1 crore per park
- Seamless connectivity, social and physical infrastructure, 24X7 water-power availability, and other required facilities in Dadri, Bhaupur and Naini Logistics zones
- Green Channels (with less inspection during transit) to prevent delays for vehicles carrying export-import cargo
- Standardized layouts for inter-modal transport and logistics hubs to include containers, pallets, cranes, etc. with consistency.
- Green logistics for minimizing ecological impact of logistics activities (Electric vehicles, renewable energy, eco-friendly buildings)
- Logistics Division headed by a Secretary rank officer under Industrial and Infrastructure Development Department

Logistics, Warehousing & Retail Policy, 2019

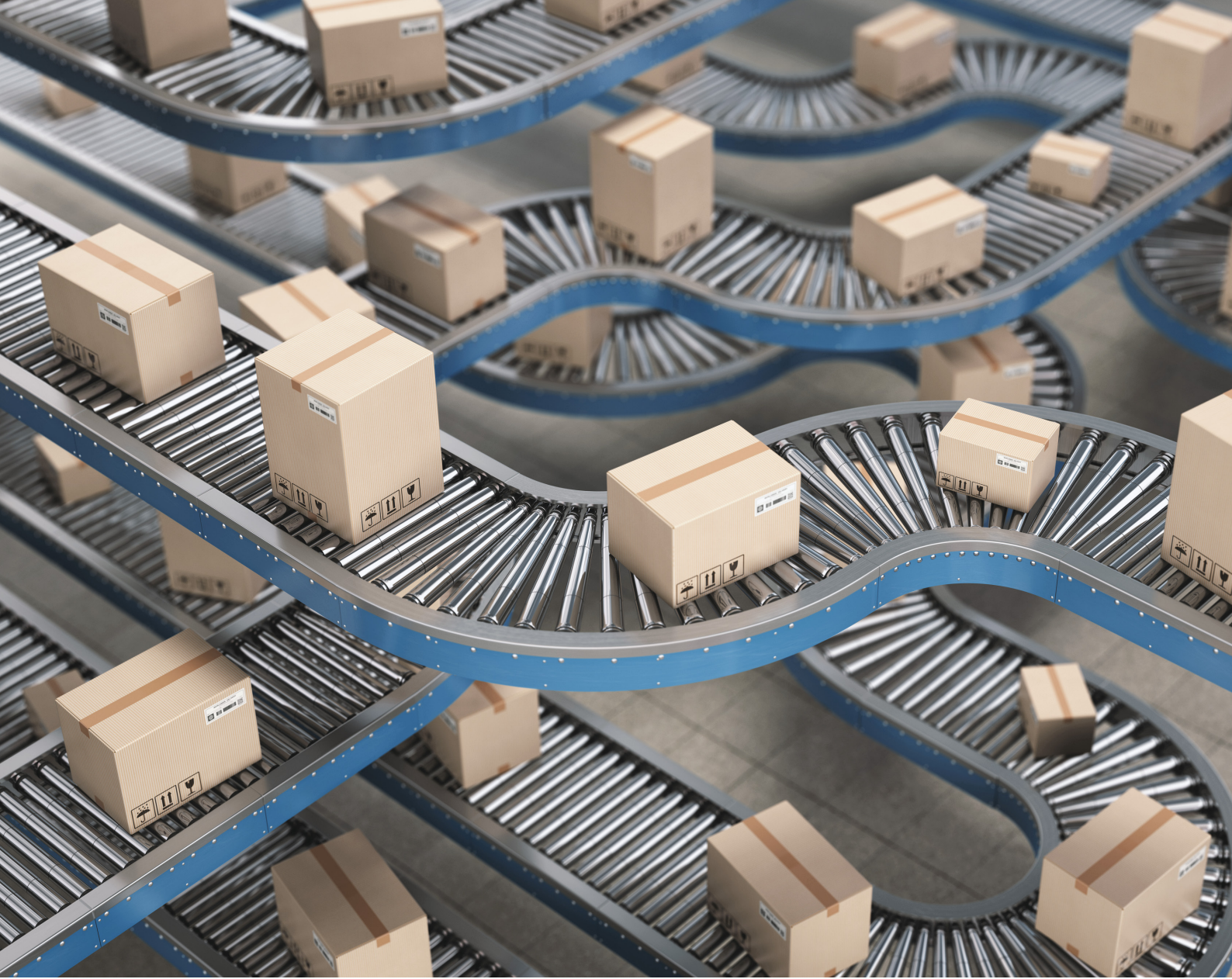
- Minimum area of 25 acres with a total investment of at least 25 Crore to set up logistics parks
 - 85 percent of land allowed for logistics activities
 - 2 percent to 5 percent of land allowed for commercial activities
 - Capital subsidy of 25 percent on the fixed capital investment up to a maximum of INR 15 Crore
 - Interest subsidy of 5 percent on loan taken to meet working capital requirements subject to a maximum of INR 20 lakhs per year for 3 years
- Minimum area of 100 acres with a total investment of at least 100 Crore to set up a multi-modal logistics park
 - Capital subsidy of 25 percent on the fixed capital investment up to a maximum of INR 25 Crore
 - Interest subsidy of 5 percent on loan taken to meet working capital requirements subject to a maximum of INR 50 lakhs per year for 3 years.
- Minimum 2 acres with approach road of 30 ft to set up warehouses in hyper, high, medium and low potential zones
 - Capital subsidy of 25 percent of the fixed capital investment subject to maximum of INR 5 Crore
 - Interest subsidy of 5 percent on loan taken to meet working capital requirements subject to a maximum of INR 10 lakhs per year for 3 years
- Allows “Warehousing cum Retail” facility in agricultural zone in Medium and Low potential zones
 - Minimum land requirement shall be 10 acres
 - 25 percent of the permitted Floor Area Ratio (FAR)
 - Auto CLU zones in Agriculture Zones
- Full reimbursement of External Development Charges and Commercial license fee in C&D category blocks
- Truckers Parks will be developed on a minimum of 10 acres, located along/at up to 2 km. on either side of National Highways
- Other incentives for logistics parks, multi-modal logistics parks, warehouses, truckers’ parks
 - Reimbursement of 100 percent of Stamp Duty
 - 100 percent of Electricity Duty exemption for a period of 7 years.
 - 50 percent reimbursement in External Development Charges (EDC) in C and D category blocks
 - Full reimbursement of EDC and Commercial License fee (for Warehousing cum Retail category) in C & D category blocks
 - Maximum of 50 percent technical training cost re-imburement (mainly in operational, frontline, supervisory roles), limited to maximum INR 10,000
 - Maximum permissible ground coverage for all units is 60 percent
 - 15 percent green cover for logistics and warehousing units
 - Allows Self-Certification of Fire Fighting scheme for low hazardous establishments
- 5 percent of the area will be reserved for setting up logistic infrastructure in Industrial Model Townships
- Logistics and Warehousing facilities will be allowed to
 - operate 24 X 7 (three shifts)
 - offer part-time employment
 - engage women in three shifts
- All benefits applicable for existing units making 50 percent additional investment in fixed assets of the original Fixed Capital Investment (FCI)

Industrial Policy, 2021 (Special incentives for Logistics)

- Minimum investment of Rs. 50 cr. and minimum area of 10-acre for Multimodal Logistics Park comprising Inland Container Depot (ICD)
- Minimum investment of Rs. 15 cr. and minimum area of 20,000 sq. ft for Cold Chain Facility
- Minimum investment of Rs. 25 cr. and minimum area of 1 lakh sq. ft. for Warehousing Facility
- Industry status
 - Logistics will be included in I-A Category for Electricity Tariff applicable to Industries
 - Allows access to finance from Tamil Nadu Industrial Investment Corporation (TIIC)
 - Allows Exemption under Sec 37-A under the Land Ceiling Act
 - Allows Change of Land Use for Industrial Purpose in Unplanned Areas shall also be applicable to the logistics sector
 - Single window clearances for Building and Operational approvals
 - Permission for industrial warehousing facilities establishment in SIPCOT industrial estates/ clusters
 - Allows Logistics and Warehousing facilities to operate 24 X 7 (three shifts)
- Incentives for Integrated Logistics Parks with investment greater than Rs. 500 crores in "B" & "C" Category Districts
 - Relaxation on the non-processing area (including warehousing) of up to 50 percent of the park area
 - Capital Subsidy of 12 percent or 15 percent of investment in internal infrastructure spread over 5 years
 - Capital subsidy of 10 percent on housing within industrial park spread over 10 years subject to a ceiling of Rs. 10 cr
 - 25 percent subsidy on cost of capital undertaking green and sustainable initiatives, subject to a limit of Rs. 5 cr. Example Safety & Energy Efficiency, Water Conservation Greening building certifications, Pollution Control solutions
 - Maximum of 50 percent technical training cost re-imburement (mainly in operational, frontline, supervisory roles), limited to maximum INR 10,000
- Tamil Nadu Skill Development Corporation will collaborate with Logistics and Warehousing associations

Export and logistic policy of 2019

- Capital subsidy of 30 percent on fixed capital Investment in export-oriented logistics infrastructure, subject to a ceiling of Rs.10 crores
- Capital subsidy of 30 percent on capital Investment in reefer vehicle, subject to a ceiling of Rs.1 crore
- 50 percent subsidy for obtaining Quality Certification, subject to a ceiling of Rs. 50 lakhs
- 20 percent subsidy for export freight charges, subject to a ceiling of Rs.50 Lakh per annum for a period of 5 years per unit
- Minimum 30 acres of land (usable for the purpose) and investment of Rs.30 crores for Logistic Parks
- Minimum 10 acres of land and investment of Rs.30 crores for Container Freight Station (CFS)/ Inland Container Depot (ICD)
- Minimum 1 acre of land and investment of Rs.10 Cr for integrated Cold Chain facility
- A State Level Committee (SLC) set up for approvals
- Will work on Skill Development & Capacity Building through industry associations and other organizations



05

Recommendations

The National Logistics Policy will guide the development of State-level logistics policies. India's position in global value chains depends on logistics. Success requires high-performance logistics physical and digital infrastructure, resources, and policies. Here are some suggestions for state warehousing and logistics policies.

1. Recognize logistics as an industry

States should recognise logistics sector as an industry. The industry status will help logistics companies get cheaper land, power, and financing. Policies in Uttar Pradesh, Haryana and Tamil Nadu recognise logistics as an industry. As an industry, logistics benefits from preferential electricity rates, access to state industrial investment funds, land use changes for industrial purposes in unplanned areas, single window clearances, and permissions for industrial warehousing facilities in industrial estates to operate in three shifts.

States which accorded industry status to logistics and warehousing:






Uttar Pradesh, Haryana, Tamil Nadu

States that did NOT accord industry status to logistics and warehousing

Maharashtra, Assam

2. Make land procurement easier

Identify and reserve contiguous parcels of land for warehousing. In addition to identifying land, states should create logistics zones in existing and future industrial parks. e-commerce companies are vying for warehousing space in various states. These modern warehouses are huge, automated, and have the best processes. Large-scale warehousing requires affordable land. The States should waive fees for agricultural to commercial land conversion. Large parcels of uncultivable agricultural land are already available for industrial use. However, the rate of conversion from agricultural to commercial is twice that of industrial.

| State | Land Conversion rates (Agri to Industrial use) | Land Conversion rates (Agri to Commercial use) |
|--|--|--|
|  Maharashtra | 30 percent of the ready reckoner rate | 50 percent of the ready reckoner rate |
|  Uttar Pradesh | INR 350–1000 per sq. m. | INR 1000–3000 per sq. m. |
|  Haryana | INR 100–200 per sq. m. | INR 100–200 per sq. m. |
|  Tamil Nadu | Approx. 5 to 10 lakhs per Acre | Approx. 5 to 10 lakhs per Acre |
|  Assam | The area within 1 Km beyond 500 meters on either side of National Highway 37 from Jalukbari (Kamrup, Metro district) to Kukurmara (Kamrup District) & NH31 from Jalukbari (Kamrup, Metro District) to Tihu (Nalbari District) excluding tribal belts and blocks ,wet lands, notified forest land, VGR, and PGR lands as "Industrial Zone" for the purpose of assessment of land revenue at enhanced rate as may be applicable. | <ul style="list-style-type: none"> • Upto 3 bighas – INR 2,000 • Greater than 3 bighas upto 10 bighas – INR 50 per additional bigha • More than 10 bighas upto 50 bighas – INR 100 per additional bigha • Above 50 bighas – INR 150 per additional bigha |

3. Provide relaxation in minimum area requirement and increased FSI

To reduce the minimum area requirement, increase the permissible FSI on the plot, reduce levies and stamp duty, and reduce minimum width required for approach road. Reducing the minimum land requirement encourages SME developers to build logistics infrastructure. Also, in cities with limited land, increasing the FSI allows better use of the available space. For example, the Tamil Nadu industrial policy specifies a minimum of 1 lakh sq.ft. of land for warehouse development.

4. Provide policy incentives for sustainable growth

| Minimum area for logistics park | FAR for warehouse |
|---------------------------------|-------------------|
| Maharashtra | |
| 5 acres | 1.00 |
| Uttar Pradesh | |
| 25 acres | 1–1.25 |
| Haryana | |
| 25 acres | 0.75–1 |
| Assam | |
| 30 acres | 1.00 |
| Tamil Nadu | |
| 10 acres | 1.50 |

State governments should encourage the warehousing and logistics industry to adopt sustainable infrastructure practices and standards. This will ensure that the new infrastructure’s carbon footprint does not harm the environment. Among the measures available are:

- **Promote usage of solar energy in warehouses:** Modern warehouses have solar roofs. Captive solar energy can replace non-renewable power sources. Currently, states allow up to 1MW of solar power. This cap should be removed, allowing net metering.

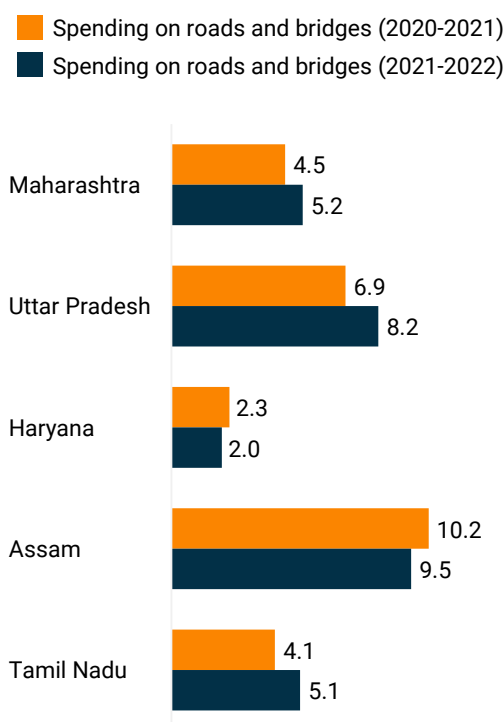
- **Promote use of electric vehicles for logistics:** Logistics can be run on electric carriers for the middle and last mile. But this approach must be phased in. States can promote fleet electrification by encouraging third-party delivery partners to electrify their existing ICE vehicles. Also, the government should exempt electric vehicles from paying road tax up to 100 percent. The state’s support for electric van infrastructure, adoption of cleaner fuels such as CNG & biofuel for ICE vehicles by developing fuel infrastructure will accelerate transition to green transportation.

- **Automatic approvals for enterprises meeting sustainability norms:** Logistics firms that follow sustainability principles may receive automatic regulatory approval. Third-party green certifications may qualify for exemptions.

5. Build public infrastructure

State governments should invest in connecting roads and bridges. Good roads and bridges are essential for cargo movement. Large vehicles transport valuable goods. Without good roads, goods can break or get damaged in transit, causing losses.

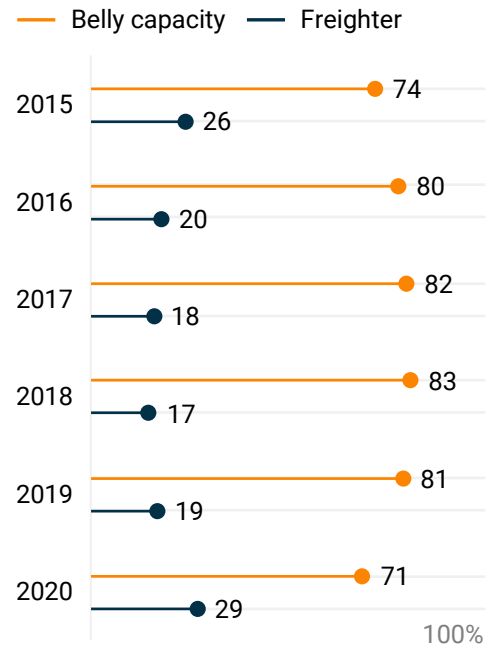
Percentage of total expenditure



6. Enhance air cargo handling infrastructure

Consistent ecommerce and other air cargo growth requires efficient air cargo handling capacity. Additional infrastructure such as weighment and x-ray scanning machines, better traffic management and initiating semi-automation are essential to meet growing demand. Common User Terminals (CUTs) do not have enough space to build and break Unit Load Devices (ULDs), creating congestion and increasing cut-off for freighter cargo. As the commercial airlines increase dedicated freighter fleet in the near future, it would be critical to enhance CUT infrastructure to support freighter shipment handling. Stakeholder consultations will help in building a road-map for enhanced infrastructure, explore market based pricing mechanism, piece level tracking technology at the CUTs.

Domestic cargo share, %

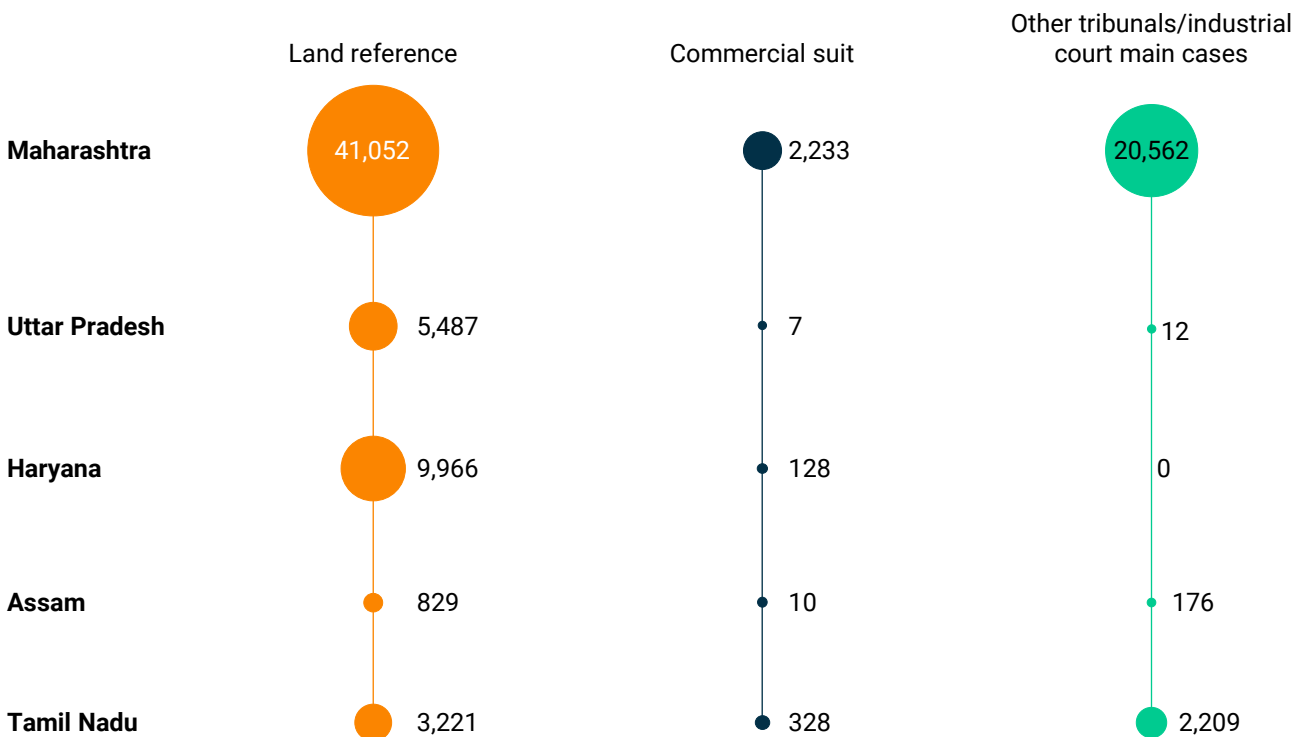


Source: ICF Analysis, DGCA Data

7. Ensure law and order

Security is required in warehouses and logistics. Disputes and pending cases related to logistics will be resolved faster. Usage of digital tools to resolve issues and update status will improve speed.

Pending cases in five focus states



Source: <https://njdg.ecourts.gov.in/> accessed on 15 August 2021

8. Enable Ease of Doing Business

Permissions should be made easier to encourage logistics and warehousing. Not only should all business-related permits and licences be in one place, but efforts should be made to streamline the approval process and eliminate redundant permits.

- **Deemed approvals:** Self-certification and deemed approvals will speed up project start times. The Telangana State Industrial Project Approval And Self-Certification System (TS-iPASS) Act, 2014 is a model. The TS-iPASS, introduced in 2016, allows new industries to submit requests online without meeting with multiple departmental officers. Mega projects are approved in 15 days and other projects in 30 days. Self-certification process started simultaneously across all departments.
- **In-transit exceptions:** In the event of a vehicle breakdown or minor accident, logistic companies can cross dock shipments to ensure smooth delivery. Further consultations with law enforcement agencies, insurance companies, transporters and end-user industries are required to remove administrative delays and ensure goods are not damaged in transit.
- **Industrial warehousing categorization:** Warehouses should be exempt from water and air pollution approvals. They should be classified as Green or White in the Harmonized Industrial Sector Classification. Warehouses do not generate any hazardous output and therefore may be exempted from CTE/CTO³⁶.

9. Standardisation of warehousing and logistics

The National Logistics Policy has prescribed standards for warehousing, transportation and packaging. The States should adhere to warehousing and logistics standards (related to racking, handling, transportation, palletization and buildings) as prescribed the National Logistics Policy. Such minimum standards would result in deriving operational efficiencies and reduce total turnaround times. Going ahead, States should participate in national standard building and subscribe to same standards as adopted by the Centre.

10. Attract, empower and retain workforce

- States may partner with industry associations to promote logistics jobs, careers, and growth. In order to fill the immediate and future logistics workforce gap, states may provide on-demand logistics courses. Focused programmes may be developed and implemented by industry, educational institutions, or international organisations.
- In addition to truck drivers, warehouse operators, and last-mile delivery personnel may be included in the PM-JAY scheme. Studying logistics education, skills, and training may be eligible for an interest subsidy. These initiatives would attract a younger workforce.
- State polytechnic colleges may introduce logistics diploma programmes. It is possible to use CII model diploma courses to speed up programme roll-out. There could be district-level logistics skill development centres and village-level outreach programmes.
- The government should allow women to work in all logistics and warehouse shifts. Instead of asking for explicit consent, it may be suggested that the requirement to inform and notify female employees about working night shifts be made a condition of employment, with the appropriate government establishing the necessary mechanisms to ensure compliance.

Logistics is critical for achieving USD 5 Trillion economic development. Active participation from all the states is fundamental to create most needed policies and logistics infrastructure to meet the manufacturing and ecommerce supply chains demand. The five states referred in this compendium would provide insights into forward looking logistics policies as good case studies. Further, recommendations in this compendium will strengthen and improve existing logistics capitals in five focus states and serve as good guidelines for the states that are formulating logistics policies. Going ahead, 2021-22 stakeholder consultations will focus on other states and consider additional viewpoints to develop logistics capitals as well.

³⁶ CTE: Consent to Establish – CTO: Consent to Operate.

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering Industry, Government and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, with over 9000 members from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 294 national and regional sectoral industry bodies.

For more than 125 years, CII has been engaged in shaping India's development journey and works proactively on transforming Indian Industry's engagement in national development. CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, livelihoods, diversity management, skill development, empowerment of women, and sustainable development, to name a few.

As India marches towards its 75th year of Independence in 2022, CII, with the Theme for 2021-22 as Building India for a New World: Competitiveness, Growth, Sustainability, Technology, rededicates itself to meeting the aspirations of citizens for a morally, economically and technologically advanced country in partnership with the Government, Industry and all stakeholders.

With 62 offices, including 10 Centres of Excellence, in India, and 8 overseas offices in Australia, Egypt, Germany, Indonesia, Singapore, UAE, UK, and USA, as well as institutional partnerships with 394 counterpart organizations in 133 countries, CII serves as a reference point for Indian industry and the international business community.



Confederation of Indian Industry

The Mantosh Sondhi Centre
23, Institutional Area, Lodi Road
New Delhi – 110 003 (India)
Phone: 91 11 45771000/24629994-7
E-mail: info@cii.in
Website: www.cii.in



Reach us via our Membership Helpline Number: 00-91-99104 46244
CII Helpline Toll Free Number: 1800-103-1244



CII Institute of Logistics

Phase II - "B" Block, 9th Floor,
IIT Madras Research Park
Kanagam Road, Taramani,
Chennai – 600113 (Tamilnadu, India)
Phone: 044 6636 0300
Email: cil@cii.in
Website: www.cii-logistics.com

