



Himachal Pradesh Logistics Policy - 2022



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Abbreviations

AGiSAC	Aryabhata Geo-informatics & Space Application Centre
BISAG-N	Bhaskaracharya National Institute for Space Application and Geo-Informatics
CA	Controlled Atmosphere
CFS	Container Freight Station
CLU	Change in Land Use
CONCOR	Container Corporation of India Ltd
CS	Cold Stores
EGoS	Empowered Group of Secretaries
EV	Electric Vehicle
EXIM	Export-Import
GDP	Gross Domestic Product
GI	Geographical Indicator
HDI	Human Development Index
HPMC	Himachal Pradesh Horticulture Produce Marketing & Processing Corporation
ICD	Inland Container Depot
LEADS	Logistics Ease Across Different States
LSP	Logistics Service Provider
MMLP	Multi-Modal Logistics Park
MSME	Micro, Small and Medium Enterprises
NMP	National Master Plan
NOC	No Objection Certificate
NPG	Network Planning Group
ODOP	One District One Product
PCTO	Private Container Train Operator
PPP	Public Private Partnership
PWD	Public Works Department

RFID	Radio Frequency Identification
RMS	Risk Management System
RTO	Regional Transport Office
SMP	State Master Plan
TSU	Technical Support Unit
ULIP	Unified Logistics Interface Platform
UT	Union Territory

1 Preamble

The importance of the logistics sector in servicing core sectors propelling India's economic development has never been greater. Logistics is a vital aspect of growth; a well-run logistics industry has an impact on a country's overall competitiveness and economic development. In 2021, India's logistics sector was projected to be valued at USD 150 billion, making it a key enabler in the country's ambition of becoming a USD 5 trillion economy. Organizations around the world are looking at India as unified manufacturing hub and a market serviced through a responsive, efficient, and cost-effective logistics services. Hence emphasis on developing strong logistics sector will be the backbone of India's ambitions to become a manufacturing superpower.

Despite the launch of major mega logistics infrastructure projects in recent years, India plummeted to 44th place in the World Bank's Logistics Performance Index (LPI) 2018, down from 35th place in 2016. To close the gaps in the logistics ecosystem, a holistic strategy will be required. Multiple issues plague the sector today, including last mile and capacity deficiencies, a lack of digital integration among stakeholders, a shortage of skilled manpower and slow adoption of technology.

— Infrastructure

It is one of the most significant roadblocks to the logistics sector's expansion. It manifests itself in insufficient and low-quality multi-modal and terminal transportation infrastructure, a suboptimal modal mix, inefficient and ill-designed cargo and container storage facilities, inefficient operations and maintenance routines, and poor technology adoption/adaptation. As a result, freight transit times are long and non-reliable, resources are wasted, and fleet management is poor. The majority of investment is in typical warehouses that are used for storage with single-user facilities and have an average size of less than 10,000 sq. ft.¹ and a height of 3 to 4 meters. Since the mode of transport, as well as storage and terminal handling methods, are rarely linked to cargo characteristics, high-cost modes such as roads are overused at the expense of cost-effective and sustainable modes such as inland waterways and railways.

— Skill Development

Although India has a demographic advantage, the logistics sector's supply of adequately skilled workers remains a concern because it is still considered an auxiliary rather than a mainline industry. It is not a favored choice among professional employees due to the disorganized nature of the industry, which is characterized by poor working conditions and low pay scale.

— Regulatory Hurdles

Obstacles in land acquisition and consolidation, as well as changes in land usage remain key roadblocks. The sector's troubles are exacerbated by a lack of openness in compliance.

— Adoption of Technology

¹ Maharashtra's Logistics Parks Policy-2018

Another major stumbling block has been the slow acceptance of new technology. There is a lack of understanding of the economic benefits of employing digital technology, and collaboration among stakeholders is lacking. As a result, the logistics ecosystem is riddled with inefficiencies and underutilized assets. Inadequate technical understanding and a lack of technology systems exacerbate the problem.

1.1 Initiatives by the Government of India

— PM GatiShakti National Master Plan

A national multi-modal connectivity plan that brings together multiple ministries like railways, roads, and shipping to plan and implement infrastructure connectivity projects in a coordinated and integrated approach. It will represent all economic zones as well as the infrastructure necessary to support them, with the intent of holistically unifying all multimodal connectivity developments and empowering central and state stakeholders to overcome gaps in the movement of people, goods, and services.

Below is the list of mandatory layers which need to be uploaded on the PM GatiShakti portal by every state and UT to synergize future infrastructure projects in the state in line with the vision of a holistic countrywide development plan.

Land records	Forest	Wildlife
Eco sensitive zones	CRZ	Reserve forest
Water resources	Rivers	Embankments
Canals	Reservoirs dams	Soil type
Seismicity	Flood maps	Power transmission and distribution
Mining areas	ASI sites	Tourism sites
Roads	Water supply pipelines	Sewer lines
Drainage	Economic zones	Industrial parks

— National Logistics Policy

The Government of India is framing a National Logistics Policy to promote the seamless movement of goods across the country. The policy will be a multi-jurisdictional mechanism that will cut across silos by integrating policies, schemes, and legal frameworks from various

ministries/departments, contributing to PM GatiShakti's vision. The strategy would concentrate on several issues, including the development of multimodal logistics infrastructure, digitization, and process reengineering, among others.

— **LEADS (Logistics Ease Across Different States)**

A Pan-India annual survey involving feedback from stakeholders (such as traders/shippers, exporters/importers, freight forwarders, transporters, logistics & supply chain service providers, etc.) to rank States & UTs on their ability to facilitate logistics and suggest action points for improvement.

Himachal Pradesh has been ranked 20th in the LEADS report for the year 2021 which was an improvement from the 22nd position secured in the LEADS 2019.

The state's continued focus on infrastructure, measures to increase the Ease of Doing Business, and numerous fiscal incentives granted under the state Industrial Investment Policy have all contributed to the state's improved standing in the study.

— **National Conference on Logistics**

In January 2021, a country-wide conference with States and UTs was held with the primary goal of integrating the logistics sector, wherein stakeholders across the ecosystem would work together and in harmony to help bolster the logistics sector and make India a competitive destination and manufacturing hub. LEADS, Smart Enforcement, Warehousing, City Logistics and Driver Empowerment and Employment, Green and Clean Logistics, and others are amongst the conference's main subjects. States were expected to adopt the best practices prevalent across country to promote logistics services.

— **Focus areas to improve the logistics sector in the States**

The Hon'ble Minister of Commerce and Industry wrote a letter to the States and UTs outlining measures that States might take to improve logistics and convenience of life. The letter highlighted 18 areas for integrated logistics growth, including efforts to connect production and consumption centers, decongest metropolitan areas, move toward a minimal inspection ecosystem, increase first- and last-mile connectivity, and so on.

— **Bharatmala**

The Bharatmala Pariyojana project envisages the development of about 26,000 km length of roads through 50 new economic corridors connecting 550 districts nationally. The project aims to improve logistics efficiency by eliminating chokepoints on existing corridors and developing MultiModal Logistics Parks across strategic locations to reduce the logistics cost of freight.

— **Parvatmala**

Another connectivity project envisioned by the GOI for the development of ropeways in hilly areas to encourage tourism and encourage an efficient and safe alternate transport network. It is also eco-friendly compared to other transport modes and especially for ecologically sensitive mountainous regions.

— Sagarmala

Another ambitious plan is to develop and link India’s vast coastline and hitherto underutilized inland waterways to reduce dependence on a single mode of transportation.

2 Himachal Pradesh

Himachal Pradesh is the northernmost state of India and shares borders with the union territories of Jammu & Kashmir and Ladakh to the north, and the states of Punjab to the west, Haryana to the southwest, Uttarakhand to the southeast and a very narrow border with Uttar Pradesh to the south. The state also shares an international border to the east with the Tibet Autonomous Region in China.

Himachal Pradesh is India's Fruit Bowl and ranks 2nd in Apple and Almond production². It is also Asia's second-largest pharmaceutical hub. Himachal Pradesh is also the country's biggest fruit grower. It is also the first state in the country to create SWAN (State Wide Area Network) for e-governance and the first state to successfully implement 'e-samadhan' for redressal of public concerns. Himachal Pradesh is placed first in the Northern states and third overall in the country on the HDI Index, as well as first among Indian states in terms of UN Sustainable Goals. PHD Chamber of Commerce has ranked Himachal Pradesh as the most consumer-friendly state in India. In addition to being one of the fastest-growing states in terms of Ease of Doing Business, it is also India's least corrupt state according to the CMS – India Corruption Study 2017. Himachal Pradesh has been ranked first among the Hill States in terms of human resource development and public infrastructure.

The harsh climatic circumstances, as well as topographical and geographical severities, pose hurdles to the industrialization process. In such a setting incentives and subsidies, as well as the development of necessary infrastructure, become the primary instruments for attracting industrial investment into the state. The State has been able to compensate for the drawbacks of location and geography to a large extent by investing heavily in infrastructure. Factors such as low-cost, high-quality power, amicable labour relations, low-cost land and a clean environment, investor-friendly administration, enticing incentives and tax breaks, and proximity to Northern markets all contribute to the State's thriving investment climate which has helped its growth to remain at par with the national growth rate and also score higher ranking in development indicators.

The state has implemented the Himachal Pradesh Industrial Investment Policy 2019, as well as the State Mission on Food Processing and Energy Policy 2021, with the goal of encouraging

² <https://emerginghimachal.hp.gov.in/>

private businesses to set up industrial enterprises in the state, which will require a robust logistics network, which this policy aims to provide.

3 Definitions & Eligibility

- **Air Freight Station** means a customs notified off-airport common user facility equipped with fixed installations of minimum requirement and offering services for handling and temporary storage of import and export cargo, etc. These facilities may be equipped with customs/ non-customs bonded warehousing, parking area etc. and other common user facilities required to carry out efficient operations.
These facilities shall be developed at strategic locations to provide air cargo clearance in hinterland and bonded truck directly to airports.
- **Anchor Enterprises** means the first Industrial Enterprise established in a notified Industrial Area(s) or first unit established outside Industrial Area in a particular Development Block of a district, with the minimum Fixed Capital Investment as under :-
 - i. Category A :- Rs.200 Crore and employing minimum 200 Bonafide Himachalies.
 - ii. Category B :- Rs.150 Crore and employing minimum 150 Bonafide Himachalies.
 - iii. Category C :- Rs.100 Crore and employing minimum 100 Bonafide Himachalies.
- **Bonafide Himachali** means a resident of the State of Himachal Pradesh as defined by the State Government from time to time.
- **Categorization of State** as per the state Industrial Policy has been done into three categories of Areas: "A", "B" and "C" to create a favorable investment climate for existing industries to grow as well as to attract additional investment in the State and to ensure a balanced development of the Industrial and Service Sector throughout the State.
 - Category A – Industrially Developed Areas
 - Category B – Industrially Developing Areas
 - Category C – Tribal Areas, Industrially Backward Development Blocks & Backward Panchayats
- **Change in Land Use (CLU)** MSME enterprises set up in Category B & C areas would be exempted from payment of the change in land use charges levied under the provisions of H.P. Town and Country Planning Act – 1977.
- **Cold Chain Facility** means minimal processing of perishable/ temperature sensitive cargo such as agriculture, horticulture, dairy, fish & marine, poultry & meat products, pharma etc. with a linkage from source to the consumer. The minimum investment is INR 10 Cr. and minimum required land area of 1 acre.
- **Eligible Service Sector Units** an enterprise in the services sector that requires significant capital expenditure and has significant employment generation potential.

- **Existing Industrial Unit** means an industrial unit that commenced commercial production/operation before 01.04.2017.
- **Fixed Capital Investment (FCI)** means and includes investment in plant and machinery and land and building connected directly for the infrastructure.
- **Inland Container Depot (ICD)/ Container Freight Station (CFS)** should have a minimum land area of 10 acres and a minimum investment of INR 15 Cr.
- **Large Enterprises** mean enterprises having investments above INR 50 Cr. and annual turnover more than INR 250 Cr. in case of manufacturing enterprises and specified category of service enterprises as per Annexure-II of the Himachal Pradesh Industrial Investment Policy, 2019.
- **Logistics Park** includes Inland Container Depot (ICD), Container Freight Station (CFS), Airfreight stations (AFS), Warehouse, Cold Chain storage and logistics infrastructure, and development of related infrastructure. A minimum of 85% of the total area is to be used for providing logistics services and remaining 15% of the area shall be allowed for mixed land use. The minimum area should be 10 acres with a total investment of at least INR 30 Cr. and will include but not be limited to the following activities:
 - **Warehousing and Cold Chain Facility**
 - Sorting, grading, packaging/repackaging, tagging/labelling
 - Distribution and Consolidation
 - Testing and Inspection facilities
 - Automation, semi-automation or manual process including module assembly.
 - CA Stores, open and cold stores
 - Modified Atmosphere (MA) chambers
 - Individual Quick Freezing (IQF)
 - Mobile pre-cooling vans and reefer trucks
 - **Logistics Services**
 - Transport of Cargo and Container
 - Operations within logistics facilities
 - Transfer arrangements of truck and container terminals
 - Cargo handling equipment facilities for logistics services
 - Sector-specific in-bound and out-bound logistics
 - **Infrastructure for value-added and ancillary industries**
 - Internal road and public transport system
 - Power line and EV Infrastructure
 - Effluent Treatment Plant, Sewage and Drainage lines
 - Internet/Telecommunication facilities
 - Parking Facility

- Commercial Activity
 - Hotel, Restaurants and Canteen
 - Hospitals and medical shops
 - Banks and Petrol Pumps
 - Office Space and Dormitory
- **Micro, Small and Medium Enterprises (MSME)** means enterprises having investments up to INR10 Cr. in plant and machinery in case of manufacturing enterprises or INR 5 Cr. in equipment's in case of specified category of service enterprise as per Annexure-II of the Himachal Pradesh Industrial Investment Policy, 2019.
- **Mixed Land Use** is the practice of allowing more than one type of use in a building or a set of buildings which can be a combination of residential, commercial, industrial, office, institutional or other land uses.
- **Multi- Modal Logistics Park** means a logistics facility with multimodal freight handling facility and accessibility to more than one mode of transport with a minimum area of 15 acres and a total investment of at least INR 50 Cr. Multi Modal Logistics Park (MMLP) shall have the following provision:
 - MMLP's should be accessible, at minimum, by a 2- lane paved road, with a minimum approach road of 60 ft.
 - FAR on different components of the Warehouse/Logistics Park/MMLP shall be applicable as per the prevailing norms of Town and Country Planning Department.
 - MMLP's should have access to a rail siding.
- **Private Freight Terminal / PM GatiShakti Multi-modal Cargo Terminal (GCT):** A terminal notified under PM GatiShakti Multi-modal Cargo Terminal (GCT) or PFT policy to deal with rail-based cargo including containers. Greenfield PFT means a new PFT commissioned on private land under the provisions of the PFT policy. Brownfield PFT is used to refer to an existing private siding (including the private sidings dealing with container traffic) converted into PFT under the policy.
- **Processing Centre** means units with facility for weighing, sorting, grading, cleaning, waxing, packing, pre-cooling, fog treatment, irradiation facility, etc with minimum area of 0.5 acre and minimum investment of INR 50 Lakh.
- **Truck Terminals** means an area which is developed with amenities such as parking spaces, transport offices, repair and maintenance shops, spare parts stores, ATMs, fuel stations, sanitary facilities, weighbridges, storage spaces, lodging facilities for drivers and helpers etc. with a minimum area of 2 acres.

The trucks terminals can be classified under 2 models namely Origin/Destination and Transit. Transit Model would be apt for terminals on highways while terminals in the central business

districts/industrial area would fall under Origin/Destination model. The key components/development norms to be included for Truck Terminals will be as follows:

S. No.	Facility	Origin / Destination Model	Transit Model
1	Idle Truck parking space (considering approx. 80 sqft/ truck parking area)	5-10% of the terminal area	>60% of the terminal area
2	Lodging Facilities	7-8% of the terminal area	2-3% of the terminal area
3	Transport Operators offices to promote consolidation	Required	Not Required
4	Commercial activities like restaurant, Bank/ATM, retail shops, fuel pump, repair and service station, medical facility etc.)	Required	Required

— **Warehouse** means any premises which include a place for storage and/or accumulation of goods under controlled conditions and also equipped for providing handling, transportation as well as value-added services such as sorting, grading, packaging etc.

The minimum area requirement for the warehouse shall be 1 acres with a minimum storage area of 60%.

4 Vision

To develop and upgrade an integrated logistics ecosystem that is reliable, sustainable and promotes Industrial competitiveness with a low carbon footprint to fuel the economic growth of Himachal Pradesh and drive its ambition to be a torchbearer of sustainable industrialization.

5 Policy Objectives

The Policy aims to achieve the following objectives to ensure comprehensive development of the logistics sector in the state:

1. Create an efficient and sophisticated logistics ecosystem to support state’s industrial growth by strengthening institutional support through inter-departmental coordination in planning, implementation and monitoring of policies and measures affecting logistics industry.
2. To strengthen the logistics infrastructures of the state by promoting investment from private sector to develop Inland Container Depots (ICDs), Common Facility Centres, Integrated Cold

Chain, Logistic Parks, Truck Terminals, Air Cargo facilities, Quality testing labs, Integrated Cold Chain etc.

3. To create quality and cost competitive multi-modal Logistics infrastructure to provide fully integrated value-added logistic services in the State.
4. Promotion and adoption of electric and other alternate environmentally friendly technologies for sustainable logistics operations.
5. Advocate digitization of services for end-to-end visibility and cost reduction in the complete value chain.
6. To enhance first and last mile connectivity to economic zones of the State in order to reduce the cost of logistics and make the products manufactured in the state more competitive in the domestic and international markets.
7. Capacity building of skilled workforce to meet the long-term requirement of the industry.

6 Policy Tenure

The Policy shall come into effect from the date of notification by the Government of Himachal Pradesh for a period of 5 years or till the declaration of a new or revised policy whichever is higher. This Policy would work in tandem with “**The Himachal Pradesh Industrial Investment Policy, 2019**” and “**Rules Regarding Grant of Incentives, Concessions and Facilities for Investment Promotion in Himachal Pradesh-2019**”.

In case of any amendment in the policy the existing incentives committed to enterprises would not be withdrawn and would continue to remain in effect until the policy tenure.

7 Implementation and Impact Assessment

The Policy will be implemented through state specific action points identified after detailed As-Is Assessment of logistics and industrial infrastructure in the state. The precise elements will serve as the framework for a State Integrated Logistics Plan that will be assigned to various state departments and implemented in a timely manner. Further, sector specific logistics Cost assessment to assess the logistics cost reductions through implementation of State Logistics Policy will be made integral part of State logistics action plan. The Assessment would be a yearly review exercise to evaluate the intended impact on the logistics efficiency in the country based on measures taken by individual state governments. It would broadly assess the impact on the following aspects of the logistics ecosystem:

- Infrastructure
- Direct and Indirect logistics cost
- Service delivery
- Human resources

8 Policy Interventions

8.1 Infrastructure Support

- To support the existing industrial corridor, the state would provide the required infrastructure assistance for the establishment of an Industrial Logistics and Warehousing Hub in the Baddi-Barotiwala-Nalagarh region.
- Himachal Pradesh currently lacks a robust network of customs ports, with only one ICD facility located in Baddi. The state government will continue to look into the possibility of establishing new ICDs and CFS's as needed, as well as assist the development of logistic parks, warehousing zones, and other similar facilities wherever feasible.
- The state would support the establishment of transportation and warehousing zones at strategic locations. The Department of Industries will identify locations outside the city limits that have natural advantages for the growth of the logistics and warehousing sector and will set up these zones by providing affordable land and other common infrastructure.
- Under the Parvatmala program of the Government of India, the State would look for possible sections to create ropeways as an alternative and cost-effective means of transportation on a PPP basis.
- A state-level City Logistics Committee (CLC) to be formed under the chairmanship of the respective district's Deputy Commissioner to design and implement city logistics development in accordance with the National Logistics Policy, allowing the state to play a key role in advising, planning, stakeholder coordination, and progress assessment, among other things.

8.2 Green Logistics

- Electric vehicles as well as vehicles that use alternative fuels such as CNG, Hydrogen, LNG, and ethanol will be encouraged to establish Himachal Pradesh as a model state for green technology adoption among hilly states.
- To assist both passenger and cargo transportation inside the state, the state would build a robust public charging station network.
- The state will create a system of evaluation, incentives, and recognition to encourage the adoption of environmentally friendly practices in the sector.
- In its endeavour to promote green logistics, the State shall set up scrappage yards on PPP mode at convenient locations to facilitate easier disposal of conventional vehicles.

8.3 Skill Development

- As part of Himachal Pradesh Kaushal Vikas Nigam programs on skill development, the state will examine multiple skilling possibilities across various skill levels and functions, as well as design courses for skilled and semi-skilled logistics functions such as drivers, loaders, warehouse staff and logistics specialists.
- With the goal of developing a mainstream logistics training system, the State would implement specific programs under Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Deen Dayal Upadhyay Grameen Kaushal Vikas Yojana (DDU-GKY), State Skill Missions, and particular sector skill councils.
- The State shall encourage partnership with academic institutions and private training centres to enhance logistics skill development in younger workforce enabling the industry to employ skilled resources in the sector.
- Himachal Pradesh has always been a torch bearer of gender-inclusiveness and this shall continue with an objective of increasing the participation of women in the logistics sector by reviewing existing policies and guidelines and taking special initiatives to train women in the logistics domain.
- The State will establish programmes to train personnel in providing specialized services for handling and transporting perishable and hazardous cargo.
- The state plans to establish a driver training institute to impart the abilities essential for driving especially in Himachal's steep terrains.

8.4 Technological Advancements

- The state will promote the use of technology for the secure exchange of information and paperwork, as well as for transacting by being part of ULIP initiative of GoI.
- To accelerate digital innovation, the state will also take steps to incubate and promote the start-up ecosystem in conjunction with industry and academics. It will also take steps to encourage technology suppliers, start-ups, and others to file technical patents.
- The state would facilitate the creation of a Logistics Centre of Excellence to boost innovative logistics solutions and identify emerging technologies/practices especially for Agriculture and Horticulture products in consultation with industry and academia.

8.5 Smart Enforcement

- To improve logistics ease, the state would implement IT-enabled smart interventions such as an smart enforcement application having integrated risk management system.
- State shall aim to build Gati Shakti data centres to integrate various departments and promote a culture of self-compliance among organizations. This activity will be in line

with Gati Shakti NMP funding guidelines to build capabilities in the state to manage SMP activities.

- Implement Automatics Number Plate Recognition System (ANPR) to eliminate unwarranted physical checks and implement an e-Challan system across the state.
- Equip Interceptors/Flying squads with SMART wearables like body cameras with video recording capabilities for better enforcement across the state.

8.6 Regulatory Support

- For enhanced convenience and transparency, the State shall develop an approval mechanism of creating a common application form for setting up units in the logistics sector in the present single window clearance setup.
- According to the aforesaid rule, the logistics sector may be presented with a comprehensive list of services that can be notified with specified timeframes ranging from one day to sixty days for Deemed Approval.
- The State shall earmark upto 20% dedicated land for development of logistics facilities including warehouses, truck terminals etc for captive use in upcoming industrial areas in the state up to a maximum of 10 acres to aid in the holistic development of the logistics sector.
- The state has accorded the logistics industry "Infrastructure Status" to make it simpler for the sector to obtain substantial sums of money in the form of External Commercial Borrowings (ECB) with a longer term to account for the prolonged gestation period for infrastructure projects.
- Under this policy warehouses, Logistics Parks, ICDs/CFSs, MMLPs, PM GatiShakti Multi Modal Cargo Terminals, Air Freight Stations, Private Freight Terminals, Cold Chain Facilities, Processing Centres and Truck Terminals are granted "Industry" status.
- The state shall endeavour to accord the non-polluting Warehousing sub sectors "White Status" to facilitate approvals and eliminate the need for Consent to Establish / Consent to Operate.

8.7 First/ Last Mile Connectivity

- It will be the state's goal to build key logistics hubs that can handle freight from the state's higher reaches, particularly agricultural and horticulture products to support first mile connectivity. Shoghi in the Shimla district, Sauli Khad in the Mandi district, and Pandoga in the Una district are all potential locations for such logistical hubs.
- The State shall provide incentives for setting up primary processing centres to facilitate the vast Agro-industry in the state.

9 Incentives

In the State's endeavour to create a welcoming environment for investments into the logistics sector and to attract specialized private logistics players to Himachal Pradesh, fiscal incentives being provided for eligible activities in **Himachal Pradesh Industrial Investment Policy 2019**, **State Mission on Food Processing and Energy Policy 2021** would be extended to the logistics sector.

The State shall encourage adoption of Electric Vehicles for Freight transportation and will extend all the available incentives covered under **Mukhya Mantri Swavalamban Yojana**.

10 Institutional Framework

10.1 Empowered Group of Secretaries (EGoS)

The Government of Himachal Pradesh has constituted an Empowered Group of Secretaries under the chairmanship of Chief Secretary, Himachal Pradesh for the overall development of logistics sector in the State of Himachal Pradesh and also to ensure the projects are in line with the vision of PM GatiShakti NMP. The EGoS has representatives from all major State Departments and its composition shall be as under:

S. No.	Member	Designation
1.	Chief Secretary, Himachal Pradesh	Chairman
2.	Additional Chief Secretary, Forest	Member
3.	Additional Chief Secretary, MPP & Power , NCES	Member
4.	Additional Chief Secretary, Industries	Member
5.	Principal Secretary, Revenue	Member
6.	Principal Secretary, Transport	Member
7.	Principal Secretary, PWD	Member
8.	Principal Secretary, Information Technology	Member
9.	Principal Secretary, Urban Development	Member
10.	Principal Secretary, Tourism	Member
11.	Principal Secretary, Town & Country Planning	Member
12.	Secretary, Housing	Member
13.	Secretary, Jal Shakti Vibhag	Member
14.	Director of Industries	Member Secretary

10.2 Terms of Reference of the Empowered Group of Secretaries

- To give directions/order to any of the Departments concerned in the State for the implementation of Integrated State Logistics Plan and National Logistics Policy
- To discuss First mile/ last mile connectivity to National Economic Corridors and major transportation projects including major Rail, Air and Shipping/ Inland waterways terminals
- To approve the State Logistics Plan, State Logistics Policy or any other guidelines, schemes for the promotion of logistics sector in the State
- To review the various measures for enhancing Ease of Doing Business (EoDB) in the State for logistics sector
- To review the performance of departments and agencies in availing and utilisation of grants from Central Government under various schemes for infrastructure developments for logistics and resolve difficulties, if any
- The Empowered Group of Secretaries may co-opt any private/ official/ expert members as required for the overall development of logistics sector

10.3 Network Planning Group

The Government of Himachal Pradesh has also constituted a State Logistics Cell under the chairmanship of Administrative Secretary, Industries & Commerce, Himachal Pradesh for overall development of logistics sector in the State. The composition of State Logistics Cell shall be as under:

S. No.	Member	Designation
1	Administrative Secretary, Industries	(Chairman)
2	Director, Department of Industries	(Convenor)
3	Director, Department of Transport	(Member)
4	Secretary, Department of Revenue	(Member)
5	Engineer-in-Chief, PWD	(Member)
6	Engineer-in-Chief, IPH	(Member)
7	Managing Director, HPSEBL	(Member)
8	Director, Department of Town and Country Planning	(Member)
9	Director, Department of Urban Development	(Member)
10	Member Secretary, AGiSAC	(Member)
11	Director, Department of Tourism and Civil Aviation	(Member)

12	Director, Department of Rural Development	(Member)
13	Additional Director, Department of Industries	(Co-Convenor)

10.4 Terms of Reference of the Network Planning Group

- To prepare integrated logistics plan and policy and suggest amendments from time to time
- To facilitate the investors in obtaining regulatory clearances from departments concerned of State and Central Government
- To coordinate with allied departments for overall development of logistics sector in the State
- To maintain data of warehouses facilities setup in the State of Himachal Pradesh
- To implement any other tasks/directions issues by Empowered Group of Secretaries for the development of integrated logistics sectors in the State of Himachal Pradesh.
- The Network Planning Group may co-opt private/official/expert members as required for the overall development of logistics sector.

10.5 Technical Support Unit (TSU)

The Government of Himachal Pradesh has constituted a Technical Support Unit under the chairmanship of Director of Industries, Himachal Pradesh for the overall development of logistics sector in the State of Himachal Pradesh and to ensure the projects are in line with the vision of PM GatiShakti NMP. The composition of Technical Support Unit shall be as under:

S. No.	Member	Designation
1.	Director, Department of Industries	Chairman
2.	Additional Director, Department of Industries	Convener
3.	Additional Director, Department of Transport	Member
4.	Joint Secretary, Department of Revenue	Member
5.	Chief Engineer, HQ, PWD	Member
6.	Chief Engineer, HQ, Jal Shakti Vibhag	Member
7.	Chief Engineer (System and Planning), HPSEBL	Member
8.	Additional Director, Department of Town and Country Planning	Member
9.	Additional Director, Department of Urban Development	Member
10.	Joint Member Secretary, AGiSAC	Co – Convener

S. No.	Member	Designation
11.	Deputy Director, Department of Tourism and Civil Aviation	Member
12.	Additional Director, Department of Rural Department	Member

10.6 Terms of Reference of the Technical Support Unit

- To assist in data gathering and guidance to departments.
- To support departments in preparing DPRs with the help of designated consultant.
- Validation of DPRs as proposed by the concerned departments.
- To schedule regular follow ups to review progress.
- To resolve issues raised by the line departments if any.

Annexure I: Categorization of the State for Disbursement of Incentives

S. No.	District	Category “A” Areas (excludes Backward Panchayats)	Category ‘B’ Areas (Entire area under the following Development Blocks including left out areas of the Development Blocks indicated under Category ‘A’ Areas and excludes any Backward Panchayat)	Category ‘C’ Area (Includes all Tribal Areas, Development Blocks mentioned under this category and includes all Backward Panchayats located in ‘A’ and ‘B’ Category Areas)
1	Bilaspur		Bilaspur Sadar, Ghumarwin, Jhandutta, Shri Naina Devi Ji	
2	Chamba		Bhattiyat, Chamba	Bharmaur, Pangi, Tissa, Salooni, Mehla
3	Hamirpur		Hamirpur, Bijhari, Nadaun, Bhoranj, Sujanpur-Tihra, Bamsan	
4	Kangra		Kangra, Rait, Nagrota Bagwan, Panchrukhi, Fatehpur, Lamba Gaon, Baijnath, Nagrota Surian, Dehra, Bhawarna, Paragpur, Indora, Nurpur, Sulah, Dharamshala	
5	Kinnaur			Kalpa, Pooh, Nichar
6	Kullu		Kullu, Naggar-Katrain	Anni, Nirmand, Banjar
7	Lahaul & Spiti			Lahaul (Keylong), Spiti (Kaza)

S. No.	District	Category “A” Areas (excludes Backward Panchayats)	Category ‘B’ Areas (Entire area under the following Development Blocks including left out areas of the Development Blocks indicated under Category ‘A’ Areas and excludes any Backward Panchayat)	Category ‘C’ Area (Includes all Tribal Areas, Development Blocks mentioned under this category and includes all Backward Panchayats located in 'A' and 'B' Category Areas)
8	Mandi		Mandi Sadar, Sundernagar, Balh, Gopalpur, Darang, Chauntra, Dharampur, Bali Chowki, Dhanotu, Nihri, Churag	Seraj, Karsog, Gohar
9	Shimla		Theog, Mashobra, Jubbal, Basantpur Narkanda, Totu, Kupvi, Kotkhai	Rohru, Chopal, Chhohara, Rampur, Nankhar
10	Sirmaur	<p>1 All areas included in Kanungo circles of Majra and Paonta Sahib including Industrial Area Paonta Sahib in Paonta Sahib Development Block</p> <p>2 All areas included in Kanungo circles of Nahan including Industrial Area Kala Amb in Nahan Development Block</p>	Rajgarh, Tilordhar, All Left out Areas (i.e excluding Areas indicated in Category 'A' list) of Paonta Sahib, and Nahan Development Blocks	Pacchad, Sangrah Shillai

S. No.	District	Category “A” Areas (excludes Backward Panchayats)	Category ‘B’ Areas (Entire area under the following Development Blocks including left out areas of the Development Blocks indicated under Category ‘A’ Areas and excludes any Backward Panchayat)	Category ‘C’ Area (Includes all Tribal Areas, Development Blocks mentioned under this category and includes all Backward Panchayats located in ‘A’ and ‘B’ Category Areas)
11	Solon	<p>1 All Areas included in kanungo circles of Kasauli including Industrial Area Parwanoo in Dharampur Development Block</p> <p>2 All Areas included in kanungo circles of Nalagarh and Doon, including Industrial Area/s Baddi, Barotiwala, EPIP etc. in Nalagarh Block</p>	Kandaghat, Kunihar, Solan	
12	Una		Amb, Gagret, Bangana, Una, Haroli,	

Annexure II: Eligibility for incentives under State Mission on Food Processing

1. Scheme of Cold Chain, Value Addition and Preservation Infrastructure (for non-horticultural products) under SMFP

Eligible Sectors:

Following sectors may be covered under the scheme:

- Dairy-All milk and milk products, etc.
- Meat- All meat and meat products etc.
- Aquaculture and marine products like Prawns, Seafood, Fish, and their processed products etc.
- Any other non-horticultural food products requiring integrated cold chain.

Eligible Organizations:

Integrated cold chain and preservation infrastructure may be set up by individuals or groups of entrepreneurs interested in supply chain management, organizations such as Govt. /PSUs/Joint Ventures/ NGOs/Cooperatives/ SHG's/private Sector Companies and Corporations etc.

Pattern of Assistance:

— Grant-in-aid

Grant-in-aid @ 50% of the bank appraised project cost or 50% of actual investment on building, Plant & Machinery whichever is less subject to a maximum of INR 5 Cr. per project. The cost of land and pre-operative expenses and any component other than cost of building and plant & machinery will not be eligible for the purpose of calculation of grant-in-aid.

— Interest subsidy

The interest subvention will be for a period of 7 years from the date of completion of the project and commencement of commercial production as certified by concerned GM, DIC/MS,SWCA. Every year the interest subsidy @ 7% will be paid to the Bank/FI directly against the term loan sanctioned and availed by it, subject to a maximum of INR 25.00 lakhs per year.

— Renewable Energy based pilot cold chain projects

Grant in aid @ 90% of the bank appraised cost including the cost towards setting up of the solar power plant, subject to a maximum of INR 5 cores. There will be no component of interest subsidy.

2. Implementation of setting up of Primary Processing Centers /Collection Centers in the rural areas under State Mission on Food Processing

Eligibility Sectors

The Scheme is applicable to both horticulture and non-horticulture produce such as fruits, vegetables, grains & pulses, dairy products, meat, poultry and fish etc.

Eligible Organizations

The individual entrepreneurs/ farmers, group of entrepreneur/ farmers, associations, co-operative societies, self-help groups, non-government organizations are eligible for assistance under the scheme for developing the above facilities.

Pattern of Assistance

Maximum of amount of grant-in-aid admissible under the scheme is INR 2.50 Cr. as per details given below:

- Grant-in-aid for PPC/CC will be provided @ 75% of the eligible project cost
- Cost of land, preoperative expenses, margin money for working capital and contingency, non-technical civil works and plants & machinery not directly related to the PPC/CC will not be eligible for calculating eligible product cost.

3. Scheme of Reefer Vehicles Under SMPF

Eligible Organizations

The assistance will be available to the individual entrepreneurs, partnership firms, registered societies, co-operatives, NGOs, SHGs, Companies and Corporations etc.

Pattern of Assistance

Refer Vehicles/ Mobile Pre-Cooling vans: Credit linked back ended grants in aid @ 50% of the cost of New Reefer Vehicle(s) / Mobile pre-cooling van(s) upto a maximum of INR 50.00 lakh. The reefer unit and refer cabinet permanently mounted on the vehicle are eligible.

