



Government of Maharashtra



# MAGNETIC MAHARASHTRA

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## MAHARASHTRA'S LOGISTICS PARKS POLICY – 2018



सत्यमेव जयते

Government of Maharashtra  
Department of Industries

# Maharashtra's Logistics Parks Policy-2018

## 1 PREAMBLE

Today, logistics is recognized as an international service with the potential to trade globally and earn foreign exchange for the country. Given the dynamic economic situation, globalization and rapid developments in the logistic sector, it has changed into the concept of an industry. Logistics today play a pivotal role in the economic development of the country.

In India, radical reforms such as GST implementation will change the distribution models of large conglomerates requiring them to adopt geographic distribution strategies. In the World Bank's biennial measure of international supply chain efficiency, called Logistics Performance Index, India's is ranked at 35 in 2016, indicating concerns in the area of country's logistic infrastructure.

The sector today faces challenges such as availability of suitable land, lack of skilled workforce, inadequate infrastructure in terms of roads, rail, ports and airports and more. The sector is also largely unorganized. A majority of investment in traditional warehouses with an average size of less than 10,000sq. ft. and height of 3 to 4 meters that are used for storage with single user facilities. These infrastructure lacks in quality standards and specifications. Modern warehouses with an approximate size of less than 50,000 sqft, equipped with racking systems, palletization and standardization, leak proof structures, with 24 hour security, multi user facility with modern infrastructure that are located near optimal locations, making the best usage of automation and IT leading to minimum pilferage and losses from only a small number.

Since Maharashtra is the most industrialized state in India, augmented with a huge consumer market, challenges faced by logistics sector need to be addressed at the earliest. The policy aims to address the challenges faced by the logistic sector in the State.

## 2. POLICY OBJECTIVES

- A. Make Maharashtra a part of the global supply chain.
- B. Upgrade from traditional warehousing to provider of fully integrated value added logistic services.
- C. Improve efficiency and reduction in logistic costs.
- D. Improve overall logistic infrastructure of the state to ensure last mile connectivity.

## 3. POLICY TARGET

- A. Develop Logistics Clusters in the state & develop at least 25 integrated multi-modal logistic parks across the State.
- B. Promote a minimum of 100 logistic parks.



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## 4. ELIGIBILITY FOR ESTABLISHMENT OF LOGISTIC PARK

- A. Private land owner or developer appointed by them or any Company with legal entity
- B. Lease Owners of MIDC Land with minimum 30 years of balance lease period of MIDC will be eligible for establishment of Logistic Parks.

## 5. ACTIVITIES CONSTITUTING A LOGISTIC PARKS

A logistic park can include the following activities: (The list is indicative)

### A. **Logistic services:**

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

### B. **Infrastructure:**

- Internal roads,
- Power line,
- Communication facilities,
- Internal Public Transportation System,
- Water distribution and water augmentation facilities,
- Sewage and drainage lines,
- Effluent treatment and disposal facilities,
- Fire Tenders arrangements
- Parking

### C. **Business and commercial facilities:**

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



Government of Maharashtra

#### D. Common Facilities:

- Weigh Bridge
- Skill Development center
- Computer center
- Sub contract exchange
- Container freight station
- Production Inspection Centre.

The department of Industries, Government of Maharashtra may revise the list of permissible activities from time to time as per requirements of the sector.

### 6. PROCEDURE FOR DEVELOPMENT OF LOGISTIC PARKS

Private land owner or developer appointed by them or Lease Owners of MIDC Land with minimum 30 years of balance lease period of MIDC or lands acquired by the MIDC under MID Act 1961 for the purpose of joint venture Logistic Parks shall be notified by the MIDC after receiving a proposal from the applicant. Notwithstanding anything contained in the Development Plan or the Regional plan, upon such notification, such area shall be automatically changed & the area will be available for development of Logistic Park.

### 7. LOGISTICS PARKS

#### A. Integrated Logistics Park (ILP) :-

An “Integrated logistic park” will be defined as one that is spread over a minimum of 5 acres of land and having minimum 15 meters wide access road.

A minimum of 70% of the total area notified as ‘Integrated Logistic Park’ shall be used for providing logistic services (mentioned in para5(A)), and upto 30% of remaining area will be permitted for support services and common facilities mentioned in para5(C) and 5(D). The increase in minimum area above 70% (viz. 80:20, 90:10 but not 60:40) will be permitted automatically and no separate permission will be required from department. Floating of FSI shall not be permissible from the area of industrial zone to the area of support services or vice versa, but floating of FSI shall be permitted within the respective areas of industrial zone and support activity zone separately.

The Integrated Logistics Park shall provide minimum infrastructure as mentioned in Para 5(B). The mandatory minimum infrastructure and Common Facilities will be as under,

#### Infrastructure :

- Internal roads
- Power line
- Communication facilities
- Water distribution and water augmentation facilities
- Sewage and drainage lines
- Effluent treatment & disposal facilities
- Fire tender arrangements
- Parking

### **Common facilities:**

- Dormitories
- Canteen
- Medical Centre
- Weigh Bridge

The parking and other essential services mentioned in para 5(B) will be free of FSI.

The Development of a notified Integrated Logistics Park shall be completed within 5 years from date of issue of Letter of Intent (LOI) by Directorate of Industries. The extension to time limit upto a minimum of one year at a time and not more than 3 times may be granted on merits. Directorate of Industries will be the registering agency for all Integrated logistic parks. The procedure adopted for issue of letter of intent and registration would be in line with that adopted under the Integrated Industrial Area. The developer of Integrated Logistics Park will have to develop the infrastructure and create and maintain the facilities. Such facilities can be hired/leased/rented or put to own use by the Developer.

### **B. Logistics Park (LP) :-**

Logistics park/building with a minimum of 20000 sq feet Built up Area with base FSI will be designated as Logistics Park (LP). The 80% of the total area notified as 'Logistic Park' should be used for providing logistic services (mentioned in para 5(A)), and up to 20% of the remaining area will be permitted for support services and common facilities mentioned in para 5(C) and 5(D) excluding MCGM/PMC and TMC. Logistics Parks will be allowed applicable FSI or 1, whichever is higher

The Development of a notified Logistics Park shall be completed within 3 years from date of issue of Letter of Intent (LOI) by Directorate of Industries. The extension to time limit upto a minimum of one year at a time and not more than 3 times may be granted on merits. Directorate of Industries will be the registering agency for all logistic parks. The procedure adopted for issue of letter of intent and registration would be in line with that adopted under the IT/ITES Policy 2015. The developer of Logistics Park will have to develop the infrastructure and create and maintain the facilities. Such facilities can be hired/leased/rented or put to own use by the Developer.

## **8. PLANNING AUTHORITY**

Maharashtra Industrial Development Corporation (MIDC) shall be declared as the Special Planning Authority for the development of Integrated Logistic Parks & Logistics Park across the State.

## **9. INDUSTRY STATUS**

Considering the necessity of having a strong logistic backbone for the successful operation of industries, the logistic sector will be accorded 'Industry' status.

## **10. Upto 200% Additional FSI for Integrated Logistics Park & Logistics Park :-**

All over the state for Integrated Logistic Parks & Logistic Parks 1 or permissible basic FSI whichever is more will be applicable. Upto 200% of additional FSI will be admissible over the base FSI for development of Integrated Logistic Park & Logistics Park with or without premium as follows :-

| Sr No. | Location of Parks (As defined under PSI 2013)  | Premium |
|--------|--|---------|
| 1      | No industries district and Naxalism affected areas   | Nil     |
| 2      | Areas other than PMC, TMC, MCGM, KalyanDombivali, Mira Bhayendar, Panvel, Ulhasnagar, Ambernath, Navi Mumbai Municipal Corporation, NID and Naxlism Affected Areas | 10 %    |
| 3      | PMC, TMC, MCGM, KalyanDombivali, Mira Bhayendar, Panvel , Ulhasnagar, Ambernath, Navi Mumbai Municipal Corporation   | 15 %    |

Note : However premium charged will be limited upto the demand made by the developer for additional FSI.

## **11. HIGHER GROUND COVERAGE :-**

Integrated logistic parks shall be allowed higher ground coverage upto 75% (subject to setback and fire safety regulations and existing FSI norms being followed).

## **12. RELAXATION ON ZONE RESTRICTIONS**

Considering the need for logistic park for agriculture, industrial or even commercial activity, logistic facilities will be permitted in any zone across the state. Excluding agriculture vand no development zone or industrial zone if there is need of zone conversion, zone conversion premium will be charged at 15% prevailing ready reckoner rate will based on township policy.

## **13. RELAXATION ON HEIGHT RESTRICTIONS**

For Integrated Logistic Park & Logistics Park after taking in to consideration the fire safety requirements, the height restrictions as per the provisions of the National Building Code on multi-level staking for open container yards would be relaxed if applicable to ensure optimum space utilization. As per the capacity of the fire department & availability of road width maximum height of the building will be admissible upto 24 meters.

In order to make logistic activities affordable the excess height of the floor as per the requirement will not be calculated / considered for additional FSI. The proposal for the floor details for each floor height and staking of material in the building, will be placed before Empowered Committee under the Chairmanship of the Chief Secretary & operational guidelines will be issued only after approval of the committee



Government of Maharashtra

## **14. POWER AT INDUSTRIAL RATE :-**

For all approved Integrated Logistic Park & Logistic parks, electricity will be made available at industrial rates for activities other than business and commercial facilities under para 5(C) of this policy. As per provisions of the Maharashtra Electricity Regulatory company Power Distribution Franchises Model can be accepted for approved Integrated logistics park /logistics parks. Also for logistic electricity using non-conventional energy sources, its distribution and selling will be allowed. Besides logistics parks are allowed to purchase electricity from any other electricity generating company, as per the provisions in Maharashtra State Electricity Distribution Company Limited (MSEDCL)Act. Also Access approval from the substation to the switching station will be permitted. Besides LILO of power from the transmission lines to the substation/ switching station will be allowed. Uninterrupted 24 X 7 power supply will be made available to the Logistic Parks.

## **15. CRITICAL INFRASTRUCTURE SUPPORT**

Where ever needed the State Government would ensure last-mile-connectivity access to critical utilities such as water, power and access roads upto the Integrated Logistic Park & Logistic Park. Resources to provide access to these utilities for the last mile connectivity would be borne by the state through its various agencies such as MIDC, MSEDCL etc. and schemes such as Critical Infrastructure Fund Scheme.

## **16. AVAILABILITY OF SECURITY GUARDS**

Maharashtra Security Force established by the state government's Maharashtra State Security Corporation will proactively support integrated logistic parks & logistic park to ensure availability of required security arrangements.

## **17. SINGLE WINDOW CLEARANCE**

GoM will facilitate applicable industrial clearances through single window investor facilitation cell - MAITRI. MAITRI will have representation from the transport department and will support in liasoning with the RTO and for grievance redressal.

## **18. MODIFICATION OF LABOUR LAW**

Since the concept of integrated logistic parks involves State of Art facilities with focus on mechanization and automation, such ILP/LP facilities will not be covered under any other Act.

## **19. SKILL DEVELOPMENT**

GoM will work with the skill development department of the state to train people for jobs such as drivers, cash handlers, security gaurds etc. In association with the Maharashtra State Security Corporation and Late PramodMahajan Skill Development Scheme, the government would work to develop skilled workforce required for bullion and cash transfer business and other logistic services.

## **20. UPGRADING EXISTING LOGISTIC INFRASTRUCTURE**

Government will facilitate in developing and upgrading the logistic infrastructure by declaring logistic zones in Bhivandi, Panvel, Taloja, Nashik, Aurangabad, Talegaon, Nagpur and more.

Existing logistic premises/buildings can continue the said activity through redevelopment and the local bodies will make provisions in the DC rules accordingly.

## **21. PROMOTION OF CENTRAL GOVERNMENT SCHEMES**

Effective steps will be taken to take benefits of Government of India Schemes in Logistic Park areas.

## **22. INTEGRATED AND CO-ORDINATED APPROACH: AN EMPOWERED COMMITTEE**

Since the success of the logistic sector is hugely dependent on availability and interoperability of different modes of transports, availability of requisite skills amongst the workforce, availability of sufficient land and related infrastructure close to the consumption hubs it is imperative that an integrated approach be adopted across segments such as rail freight corridor, coastal freight corridor, national expressways, last-mile roads, multi-modal logistic parks, road maintenance, technology adoption, skill development, and equipment service and standards.

It is for this reason that an empowered inter departmental committee be established under the Chairmanship of Hon. Chief Secretary of the state with representatives from port authorities, highway authorities, skill development authorities, MIDC, and industry players to periodically take a stock of the road blocks and challenges in different segments, discuss probable solution and oversee implementation of the suggestions of the committee.

The members of the committee would include:

- A. Addl Chief Secretary/ Principal Secretary (Industry)
- B. Principal Secretary (Public Works Department)
- C. CEO – Maharashtra Industrial Development Corporation (MIDC).
- D. Principal Secretary /Secretary (Transport)
- E. Principal Secretary (UD-1)
- F. Principal Secretary (Energy)
- G. Principal Secretary (Skill Development)
- I. Development Commissioner (Industries) as Member Secretary

Such empowered committee will ensure intermodal first and last mile connectivity through a network of ports, roads and airports, reduced Turnaround Time, speedy execution of infrastructure development such as development of dry ports, development of expressways etc. smoother clearances, decongestion of existing infrastructure, IT connectivity and more.



Government of Maharashtra

The same committee will also review and monitor the implementation of the said policy and develop procedures and modalities where required. Committee shall review the implementation and effectiveness of the policy every six months and corrective measures / changes / amendments if required shall be done.

### **23. COMMITTEE TO ADDRESS TRANSPORTATION AND LAW & ORDER ISSUES :-**

A joint committee of RTO and Police authorities under the chairmanship of Additional Chief Secretary/Principal Secretary (Industries) will be established to address law & order and transportation issues.



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