



Government of
Madhya Pradesh



MP INDUSTRIAL DEVELOPMENT
CORPORATION LTD.



INVEST
MADHYA PRADESH
— INFINITE POSSIBILITIES —

MADHYA PRADESH LOGISTICS POLICY 2025







Foreword



Government of
Madhya Pradesh



Madhya Pradesh, the heart of India, is embarking on transformative initiatives aimed at driving industrial growth, attracting global investments, and generating extensive employment opportunities. Recognizing that true economic development can only be achieved through inclusivity, the state is committed to fostering sustainable growth that benefits all segments of society. With a focus on holistic development, State is ensuring equitable growth across all regions, bridging disparities and empowering every community. State is prioritizing employment of women and actively encouraging their participation across various sectors. By strengthening women's role in the workforce, Madhya Pradesh is fortifying economic progress of the State and its people.

The Madhya Pradesh Logistics Policy 2025 aims to leverage the central location and road network of Madhya Pradesh and is targeted to accelerate supply chains and energy-efficient transport. By incorporating digital solutions such as smart tracking, automation, and real-time monitoring, the State aims to establish itself as a master warehouse of the country incorporating modern logistics ecosystem that aligns with global best practices.

Guided by the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi, the State is playing a pivotal role in the realization of Viksit Bharat. The vision is clear: to position Madhya Pradesh as a global investment destination, ensuring prosperity for all. I extend invitation to all the investors, global corporations and entrepreneurs to be part of this remarkable growth story and contribute to the vision of a self-reliant and Viksit Madhya Pradesh.

A handwritten signature in blue ink, likely belonging to Dr. Mohan Yadav.

(Dr. Mohan Yadav)
Chief Minister
Madhya Pradesh

Foreword



Government of
Madhya Pradesh



India, the fastest growing large economy in the world, has embarked upon a journey to become Atmanirbhar and Viksit Bharat. Madhya Pradesh, one of the fastest growing States, has become the preferred destination for investment. The State offers “infinite possibilities” powered by abundant resources, state of the art infrastructure, an integrated holistic approach and forward-thinking leadership. These coupled with central location, excellent industrial labour relations, all assimilating culture position Madhya Pradesh as a key driver of comprehensive economic growth.

The State has formulated 18 new policies after thorough collaborative consultation with the stakeholders. While these policies provide financial incentives at par with the best provided by any other State, yet the focus is to provide seamless investment climate, exemplary Ease of Doing Business and reduction of compliance burden. State has already put in place mechanisms to streamline approvals, with faceless interface and time-bound clearances. Madhya Pradesh initiated the concept of the Public Service Delivery Guarantee Act and is committed to ensure that all approvals are notified under this Act. Providing plug and play infrastructure for industries is another important corner stone of the policies.

The Madhya Pradesh Logistics Policy, 2025 is a decisive step towards making Madhya Pradesh a premier export promoting state with its strategic location. The policy focuses on reducing logistics costs to global benchmarks, enhancing multi-modal connectivity through road, rail, air, and waterways integration, and fostering supply chain efficiency. It promotes the development of Multi-Modal Logistics Parks (MMLPs), Inland Container Depots (ICDs), and Private Freight Terminals (PFTs) while encouraging green logistics practices and digital innovations. With targeted incentives, the policy aims to attract private investments, ensuring Madhya Pradesh evolves into a cost-efficient, technologically advanced, and globally competitive logistics ecosystem.

Hallmark of the Madhya Pradesh has been consistent, stable but yet nimble policy framework coupled with pro-active and transparent governance for sustained growth. Opportunity like never before beckons all prospective investors to come and create lasting partnership for their own prosperity and growth of Madhya Pradesh. We welcome you to come and join the growth story of Viksit Madhya Pradesh.

A handwritten signature in black ink, appearing to read 'Anurag Jain'.

(Anurag Jain)
Chief Secretary
Madhya Pradesh

Foreword



Government of
Madhya Pradesh



The Madhya Pradesh Logistics Policy 2025 has been formulated through rigorous analysis, benchmarking against competitive States and adopting international best practices with an investor-focused approach aligned with industry needs. The policy development process began in 2024, during which the Department of Industrial Policy and Investment Promotion organized Regional Industrial Conclaves across Madhya Pradesh and conducted investor interaction sessions at national and international levels. Extensive consultations with industrialists helped identify key challenges, which this policy seeks to address.

The Madhya Pradesh Logistics Policy 2025, aligned with Vision 2047, lays the foundation for a robust, future-ready logistics ecosystem, offering a comprehensive suite of fiscal incentives to attract investments, reduce operational costs and create a business-friendly environment that drives growth and modernization.

A key highlight of this policy is Investment Assistance for the development of large-scale logistics infrastructure, including Multi-Modal Logistics Parks (MMLPs), Inland Container Depots (ICDs), Logistics Parks, Private Freight Terminals (PFTs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs). To support these initiatives, it offers incentives for Investment Assistance, Stamp Duty & Registration Fee Reimbursement and Infrastructure Development Assistance. Emphasizing sustainability, the policy promotes Green Building Certification and supports converting agricultural produce warehouses into industrial warehouses to enhance capacity. By reducing financial burdens and providing targeted fiscal support, it aims to establish a world-class logistics ecosystem, attract investments, stimulate economic activity and generate large-scale employment.

The Madhya Pradesh Industrial Development Corporation (MPIDC) and the Department of Industrial Policy and Investment Promotion (DIPIP) remain committed to fostering a facilitative business environment through seamless export infrastructure, financial assistance and policy support. With a progressive and transparent governance approach, businesses are encouraged to establish, expand and scale their operations in Madhya Pradesh, reinforcing the State's position as a premier hub for industrial excellence and global investment.

A handwritten signature in black ink.

(Raghwendra Kumar Singh)
Principal Secretary
Department of Industrial Policy
& Investment Promotion and
Department of MSME

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Abbreviations

AFS	Air Freight Station
ACC	Air Cargo Complex
CAGR	Compound Annual Growth Rate
CFS	Container Freight Station
DFC	Dedicated Freight Corridor
DBFOT	Design-Build-Finance-Operate-Transfer
GDP	Gross Domestic Product
GSDP	Gross State Domestic Product
GVA	Gross Value Added
ICD	Inland Container Depot
LPI	Logistics Performance Index (LPI)
LEADS	Logistics Ease Across Different States
IaaS	Infrastructure as a Service
MMLP	Multi-Modal Logistics Parks
MPIDC	M.P. Industrial Development Corporation
MORTH	Ministry of Road Transport and Highways
MPRDC	Madhya Pradesh Road Development Corporation
NLP	National Logistics Policy
NSDP	Net State Domestic Product
PFT	Private Freight Terminals
PMGS	PM Gati Shakti
PPP	Public-Private-Partnership
SMP	State Master Plan
ULIP	Unified Logistics Interface Platform

Introduction

01

Under the inspirational leadership of the Hon'ble Prime Minister of India, several key government initiatives, policy reforms and strategic infrastructure investments have transformed India's logistics landscape, making it more competitive globally. While initiatives such as 'Make in India' promoted domestic manufacturing leading to enhanced investments in infrastructure and technology, Sagarmala Project and Bharatmala Pariyojana focused on modernizing port infrastructure and improving road connectivity. Further, PM Gati Shakti initiative and National Logistics Policy -2022 aims to transform India's logistics and infrastructure landscape by focusing on improving transport network's efficiency and reducing transit times and logistics cost; enhancing multi-modal connectivity by integrating road, rail, air and waterways; and creating a unified logistics ecosystem to enhance coordination and efficiency. These initiatives have significantly improved India's competitiveness in global logistics landscape as also evident through India's improved ranking in World Bank's Logistics Performance Index (LPI) from 54th in 2014 to 38th in 2023.

Madhya Pradesh, India's second largest state by area, given its strategic central location is a pivotal link for facilitating efficient trade and connectivity in India. The development of robust supply chain infrastructure, efficient transportation networks, and modern industrial warehousing solutions in Madhya Pradesh will ensure smooth movement of goods, thereby reducing logistics costs and boosting economic activities across India. To achieve this, fostering an ecosystem that promotes cutting-edge technology, capacity building, and offers attractive incentives for the logistics industry will be essential. Over the years, through its initiatives and investments, Madhya Pradesh has focused on improving connectivity, reducing logistics bottlenecks, and enhancing supply chain efficiency. For its efforts in development of logistics infrastructure, Madhya Pradesh has recently been recognized as a "Fast Mover" in the Landlocked States category by the Logistics Ease Across Different States (LEADS) Report 2023, conducted by Ministry of Commerce & Industry, Government of India. Achieved Best Performer in development of Logistics Infrastructure in LEADS 2024 survey.

Building on this foundation, the Madhya Pradesh government is introducing the Logistics Policy 2025. This policy is designed for enhancing trade, reducing costs, and boosting logistics efficiency. The development of robust supply chain infrastructure, efficient transportation networks, and modern industrial warehousing solutions will ensure smooth movement of goods, thereby reducing logistics costs and boosting economic activities across the State. The policy aims to generate long-term employment opportunities and contribute to the vision of "AtmaNirbhar Bharat".

The State has the potential to emerge as a vital player in India's transformation into a global growth engine, ensuring inclusive development and economic prosperity.

This policy represents Madhya Pradesh's commitment to fostering a business-friendly environment that encourages innovation, sustainability, and inclusive growth, reinforcing its position as a leading logistic hub in India. Madhya Pradesh will contribute significantly to India's journey toward achieving a \$5 trillion economy and eventually contributing to the vision of "Viksit Bharat – Viksit Madhya Pradesh".

Definition (for this Policy)

02

2.1. Air Freight Station (AFS) / Air Cargo Complex (ACC)

As notified by the Ministry of Civil Aviation, AFS is an 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. ACC is defined as a facility within the airport or off-airport augmenting the air cargo movement capacity. ACC should provide facilities such as handling, storage, cargo clearance and other allied facilities for smooth operations.

2.2. Container Freight Station (CFS)

CFS is a facility for handling and temporary storage for customs bonded or non-bonded cargo under customs control and empty containers may offer allied facilities for smooth operations.



2.3. Inland Container Depot/Dry Ports

Inland Container Depots (ICDs) and Container Freight Stations (CFSs) are dry ports and are responsible for handling and temporary storage of import / export goods including completion of customs formalities at these locations. They should have provisions to house customs and other agencies, who would be involved to clear goods for home use, warehousing, temporary admissions, re-export, temporary storage for onward transit and outright export. Transshipment of cargo can also take place from such stations. ICD should have rail and road connectivity.

2.4. Logistics Parks

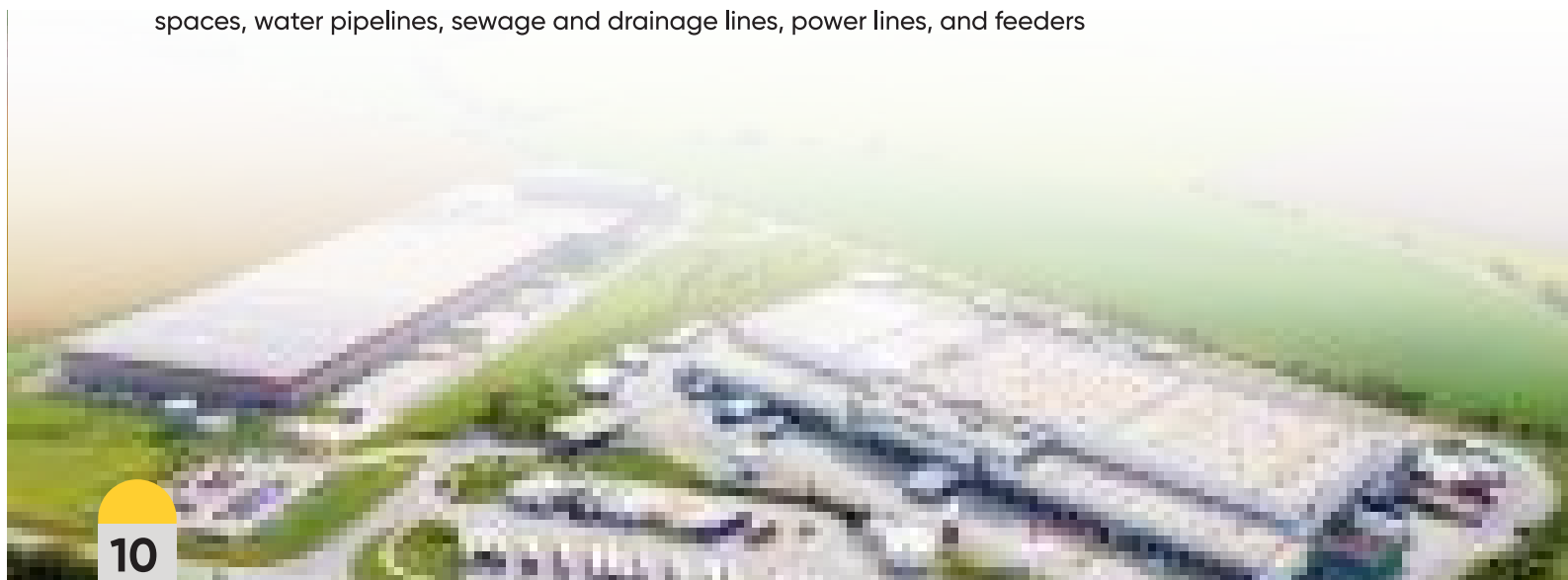
Logistics Parks are designated areas that provide a range of logistics services such as freight handling facility, cargo aggregation/segregation, distribution, storage (open, closed, and ambient), and container freight services. These parks are equipped with infrastructure including internal roads, power lines, communication facilities, water pipelines, sewage and drainage systems, and other necessary amenities to support efficient logistics operations.

The Parks will include but not limited to:

- I. Bulk and Break-bulk cargo terminals
- II. Freight Transfer Hubs/truck terminals
- III. Industrial Plots
- IV. Intermodal container terminals
- V. Infrastructure for value added and ancillary industries & commercial activity
- VI. Logistics Services
- VII. Sector-specific Inward & Outward logistics
- VIII. Warehousing Storage System

2.5. Multi Modal Logistics Parks

Multi Modal Logistics Parks have facilities for cargo aggregation/segregation, distribution, inter-modal transfer and handling and storage of containers and cargo, open/closed storage, temperature-controlled/ambient storage, custom bonded warehouse, material handling etc. Services relating to aggregation, dis-aggregation, processing, assembling, storage and distribution of commodities, both for national and international transit are carried out in an integrated facility with parking and value-added services. It is equipped with internal roads, communication facilities, green spaces, water pipelines, sewage and drainage lines, power lines, and feeders



2.6. Private Freight Terminal (PFT) /Gati Shakti Cargo Terminal (GCT)

PFT/ GCT are facilities for the purpose of bulk handling of goods for transport by road or rail. Private Freight Terminal will be a privately owned Freight Terminal as defined by Ministry of Railways. Greenfield PFT means a new PFT on private land; Brownfield PFT refers to an existing private siding converted into PFT.

2.7. Warehouse

“Warehousing” (as per Warehousing Development and Regulation) Act, 2007 means, “any premises (including any protected place) conforming to all the requirements including manpower specified by the Authority by regulations wherein the warehouseman takes custody of the goods deposited by the depositor and includes a place of storage of goods under controlled conditions of temperature and humidity. “Warehouseman” (as defined by Warehousing Development and Regulation Act, 2007) means any person who is granted a certificate of registration in respect of any warehouse or warehouses by the Authority or an accreditation agency for carrying on the business of warehousing”. The purpose of the warehouse will be for storage of Non-Agricultural goods.

Overview of Madhya Pradesh's Logistics Capabilities

03

Madhya Pradesh, centrally located and well-connected to the rest of India, is poised to become a premier logistics hub. With its Gross State Domestic Product (GSDP) estimated at Rs. 1,387,117 crore (US\$ 169 billion) for FY 2023-24, the state has demonstrated robust economic growth, achieving a CAGR of 12.49% from 2015-16 to 2023-24. The state's Net State Domestic Product (NSDP) has also shown significant growth, reflecting its economic dynamism and potential. State's economic profile is further bolstered by its rich natural resources, including diamonds, coal, copper, and agricultural biodiversity. As an agrarian state, it has seen significant growth in the primary sector's contribution to its Gross Value Added (GVA).

Madhya Pradesh's robust logistics infrastructure includes a comprehensive road network with more than 9,000 kms of National Highways (MoRTH Annual Report 23-24), over 11,000 kms of State Highways (MPRDC Web site). The State has a rail network of 5,188 km of railway track covering the length and breadth of the State. Major cities of MP are well connected to all the major cities of India by daily and weekly trains. The railway network in Madhya Pradesh falls under the jurisdiction followings seven railway divisions. The state has five commercial airports. The state has substantial power generation capacity of 25,385 MW.

The State has undertaken projects to enhance its transport infrastructure. Key developments include the Chambal Expressway, Indore-Jhabua (NH-53), and various bypass roads around major cities such as Indore and Bhopal. Additionally, the state is enhancing connectivity with neighboring states through projects like the Gwalior-Jhansi (NH 75), Mangawan (Rewa) - Uttar Pradesh border (NH27), and Seoni - Maharashtra border (NH7).

Rail connectivity is also being strengthened with projects under Western Central Railways, such as the electrification of the Itarsi-Manikpur section, new lines, doubling and tripling of key sections and various other initiatives.

The National Rail Plan, a vision plan for 2030, envisages for its network augmentation and plan to create 75,194 km of Rail network in India and for Madhya Pradesh 5,937 Km of rail network has been planned. Few upcoming Railway Projects which are strategically important for MP in terms of connectivity are listed below:

258.94 kms

Quadrupling between Vadodara and Ratlam

297.05 kms

Itarsi - Nagpur Quadrupling 4th line

131 kms

Bhusawal-Khandwa 3rd & 4th Line

84.4 kms

Manikpur to Iradatganj Third line

165 kms

Anuppur-Katni 3rd Rail Line

276.5 kms

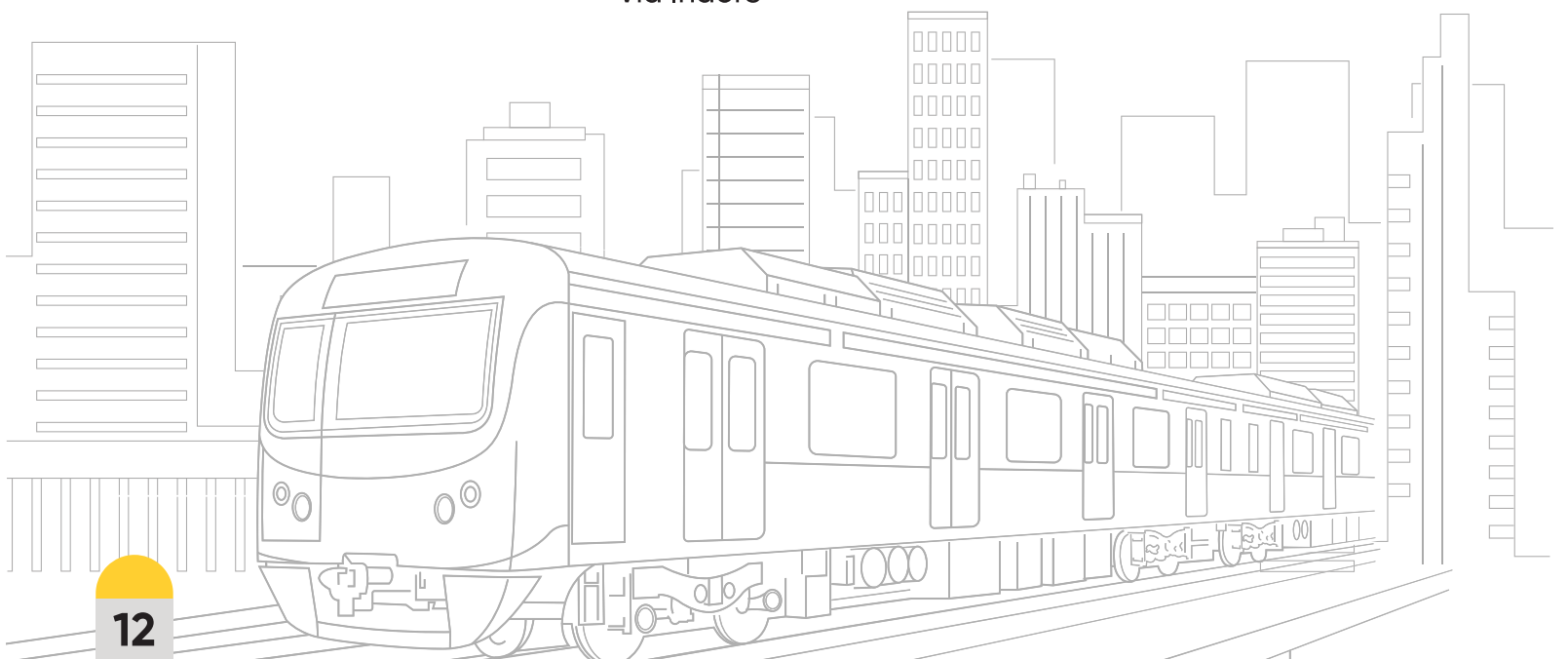
Ramgunjundi- Bhopal

157 kms

Chotta Udaipur-Dhar New Line

309 kms

Manmad to New Dhule and to Dr. Ambedkar Nagar (Mhow) Nardana third rail line between Delhi Mumbai Via Indore



One of the most significant upcoming railway projects in Madhya Pradesh is the third rail line connecting Delhi to Mumbai via Indore and Manmad. This route will reduce the distance by 306 kilometers, enhancing the logistics ecosystem of Madhya Pradesh. It will improve multimodal connectivity in the northern and western regions of the state, thereby increasing logistics efficiency and reducing costs.

To enhance logistics efficiency, based on cargo movement, Madhya Pradesh has demarcated five logistics clusters:

Central Cluster include the Dedicated Freight Corridor, Delhi-Nagpur Industrial Corridor, Indore-Pithampur Economic Corridor, and various state investment nodes & corridors.

Eastern Cluster focuses on cities like Jabalpur and Katni, showcasing industrial and future logistics potential.

Northern Cluster includes the Delhi-Nagpur Industrial Corridor, North-South State Road Corridor, North-South Freight Corridor, and Chambal Expressway.

Southern Cluster includes the North-South Dedicated Freight Corridor, expected to impact areas significantly around Itarsi by 2031.

Western Cluster encompasses industrial hubs with port connectivity, the future Delhi-Mumbai Industrial Corridor, and state investment corridors.



The State has more than 115 industrial areas. The State Government has allocated funds to enhance industrial infrastructure and attract investments, with Rs. 1,237 crore (US\$ 168 million) designated for the Madhya Pradesh investment attraction scheme and Rs. 480 crore (US\$ 65 million) for industrial infrastructure development. These efforts are crucial for nurturing an ecosystem of integrated manufacturing and logistics hubs driving state's economic development.

Inland Container Depots (ICDs) play a vital role in the state's logistics, with six ICDs namely Tihi, Malanpur, Mandideep, Indore, Dhannad and Poverkheda located near Indore, Ratlam, Gwalior, and Bhopal. These ICDs are crucial for exports and are set to expand further to eastern parts of the state to support industrial areas.



Figure 1: Infrastructure Map, Madhya Pradesh

S No	ICD Location	Operator	Area (acres)
1	Dhannad, Indore	Fairdeal Group	20
2	Tihi	Concor	100
3	Indore	Bantwal Warehousing	15
4	Pavarkheda, Itarsi	Kesar Multimodals Logistics	88
5	Mandideep, Raisen	Concor	7.5
6	Malanpur, Murena	Concor	7

The state has focused on initiatives to develop industrial parks, food parks, integrated cold storage facilities, command and control centers, integrated border check points and Multi-Modal Logistics Parks (MMLP) in the state to reduce the logistics costs and infrastructure related expenses. Madhya Pradesh Industrial Development Corporation Limited (MPIDC) is driving industrial growth through strategic initiatives. The state's focus on enhancing logistics infrastructure is aimed at positioning Madhya Pradesh as a national logistics powerhouse.

The upcoming Multi-Modal Logistics Park (MMLP) near Indore is being developed on a 255-acre site, strategically located near the Pithampur industrial area, the apparel and pharma clusters, and adjacent to the Indore Tihi-Dahod rail line and the proposed Mhow ring road. It is situated 30 kilometers from Indore Airport and Indore city. The project, proposed to be developed in PPP, Design Build Finance Operate & Transport (DBFOT) mode with an investment of ₹1,110 crore, is currently under implementation and is expected to be operational by 2026. The state is also exploring additional MMLP locations.

Madhya Pradesh is positioning itself as a key player in India's industrial landscape with major districts of the state included in major industrial corridors for eg. Delhi Mumbai Industrial Corridor (DMIC), the Delhi-Nagpur Industrial Corridor (DNIC), proposed Varanasi – Mumbai Industrial Corridor (MVIC) etc.

The development of infrastructure and industry along these corridors will boost economic growth. The industrial sectors targeted for development in these corridors include food processing, pharmaceutical, textile, automotive, defense manufacturing (such as armored vehicles and tanks), as well as sectors like cement, coal.

The Logistics Policy for Madhya Pradesh-2025 encapsulates these efforts and strategic initiatives, reflecting the state's commitment to creating an efficient, cost-effective, and robust logistics ecosystem, ultimately fostering economic growth and development.



Need for a dedicated Logistics Policy in Madhya Pradesh

04

Madhya Pradesh's logistics ecosystem, covering infrastructure, services, and regulatory environment has evolved but still faces challenges. The state has made strides in improving industrial warehouse quality and truck parking facilities and aims to create a supportive environment for adopting advanced technologies and improving logistics infrastructure.

However, there is a need for better road quality and enhanced logistics services, such as track and trace capabilities and cargo security. The state is also focusing on training and capacity building to improve service standards in the logistics sector.



Key focus areas include optimizing container movement costs, enhancing material handling infrastructure, improving truck parking facilities, and developing a multimodal transport system. The dedicated Logistics Policy for Madhya Pradesh aims to create a comprehensive, efficient, and sustainable logistics ecosystem that supports economic growth, infrastructure development, job creation, environmental sustainability, technological advancement, inclusivity, and global competitiveness.

The need for a dedicated Logistics Policy in Madhya Pradesh is multifaceted, addressing several key areas as under:



I. Economic Growth

The policy aims to reduce logistics costs and making trade flows smoother. By addressing substantial bottlenecks and reducing costs associated with container movement, the policy can enhance the competitiveness of Madhya Pradesh's export pricing compared to neighboring states. This will help in boosting the state's economic growth and positioning it as a logistics hub.



II. Improving Logistics infrastructure

Madhya Pradesh has undertaken extensive projects to enhance its transport infrastructure, including the development of expressways, bypass roads, and improved connectivity with neighboring states and ports. The policy also emphasizes creation and upgradation of logistics infrastructure capacity, particularly multimodal connectivity, thus enhancing the state's ability to support increased industrial and agricultural activity.



III. Employment Generation and Creating a Skilled Workforce

The policy is expected to create jobs by streamlining operations and expanding infrastructure. It aims to develop a skilled workforce aligned with modern logistics needs by investing in skill development programs, providing training in advanced technologies, and fostering Public-Private Partnerships. This will not only improve efficiency and service standards in the logistics sector but also create more job opportunities and career growth prospects.



IV. Sustainability

The policy emphasizes green logistics practices to align India with global environmental goals and in line with India's vision to achieve Net Zero by 2050. It promotes sustainable transportation modes, the adoption of green fuels and technologies and integration of energy-efficient design standards into logistics infrastructure. By prioritizing a modal shift from road transport to eco-friendly rail and encouraging the use of electric and alternative fuel vehicles, the policy aims to reduce the environmental impact of logistics activities.



V. Technological Advancement / Integrating Technology

The policy encourages the use of digital technologies to improve logistics-related activities. It aims to integrate digital initiatives with emerging technologies like AI, Blockchain, and IoT to enhance efficiency, track shipments, and optimize routes. The adoption of advanced digital systems for efficient logistics management will enable real-time tracking, data analytics, and streamlined operations, improving transparency and decision-making processes in the logistics sector.





VI. Inclusivity

The policy emphasizes integrating various modes of transport and developing infrastructure across regions. By fostering inter-modality and multi-modality, the policy ensures that different modes of transport and logistics operations work together efficiently, reducing delays and improving overall logistics performance. This inclusive approach addresses the needs of logistics supply and user sides.



VII. Improving Global Integration and Competitiveness

The policy aims to equip India's logistics sector with the tools and infrastructure to compete globally. By developing export-related infrastructure such as Inland Container Depots (ICDs), Common Facility Centers, Integrated Cold Chain, and Logistics Parks, the policy supports the state's export activities, making it easier for businesses to access international markets. This will enhance Madhya Pradesh's position as a competitive logistics hub on the global stage.

Vision

05



To develop a robust and technologically advanced logistics ecosystem that is efficient, resilient, sustainable and reliable.

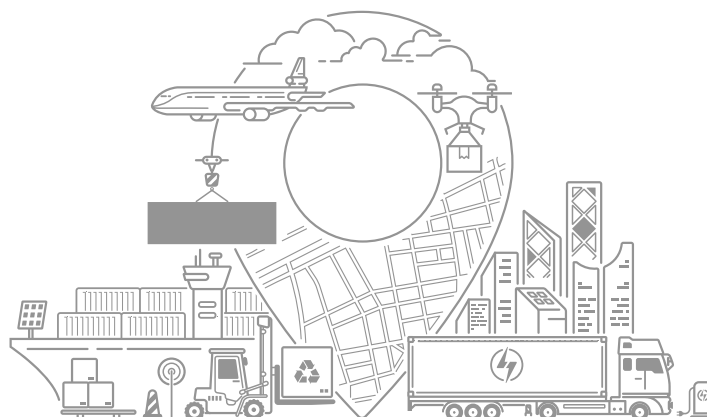
Goals

06



Aligned with India's National Logistics Policy, Madhya Pradesh's Logistics Policy 2025 has set the following Goals to realize its Vision:

- Reduce logistics costs to match Global benchmarks by 2030.
- Establish a data-driven decision support mechanism to ensure an efficient logistics ecosystem.



Policy Period

07

This policy shall be effective from the date of notification of this policy for 5 years or till the launch of new policy. Any logistics related investment during this period starting its commercial operation shall be eligible to claim incentives under this policy.

The Department of Industrial Policy and Investment Promotion shall publish a “Madhya Pradesh Logistic Policy Scheme, 2025” for smooth and timely implementation of this policy.

Strategy for Development of Logistic Ecosystem

08

The Policy aims to realise its Vision and the Goals set therein through the following Strategic Objectives:

- Technologically Advanced Logistics Ecosystem by enhancing efficiency and effectiveness through state of art technologies and integrating advanced digital systems to streamline logistics operations.
2. Integrated Logistics Network through seamless integration and promoting inter-modality/ multi-modality to ensure efficient and coordinated logistics operations across the state.
3. Cost-Efficient Operations by implementing strategies to reduce logistics costs, making the movement of goods more economical, optimize resource utilization and minimize waste.
4. Robust Logistics Infrastructure to ensure continuity of operations and supply chain stability to support the growing needs of the state's economy. Develop and upgrade Logistics Parks, Multi-Modal Logistics Parks (MMLPs) and integrated cold storage facilities to improve storage and distribution capabilities.
5. Sustainable Practices by promoting green logistics practices to minimize environmental impact and encourage the use of sustainable transportation modes and green technologies, such as electric and alternative fuel vehicles.

6 Accelerated and Inclusive Growth by enhancing the efficiency and reliability of logistics services leveraging technology and innovation.

7 Attracting investment and generating employment opportunities by creating a conducive environment for attracting increased investment in the logistics and Industrial warehousing sectors; and generate employment opportunities by expanding logistics infrastructure and services in each strategic locations and investing in skill development programs to create a skilled workforce aligned with modern logistics needs, fostering job creation and career growth prospects.

Interventions Required to Meet the Strategy

09

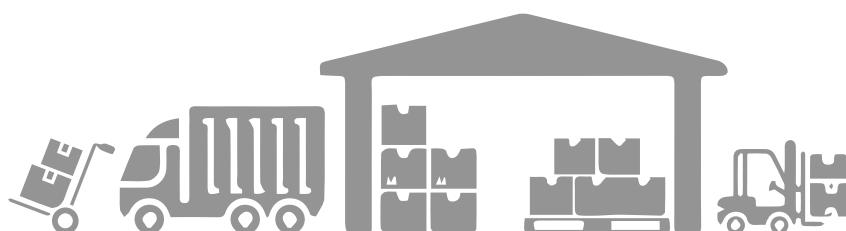
9.1. PM Gati Shakti State Master Plan (SMP) Portal

The PM Gati Shakti National Master plan, with an objective of integrating interventions by respective ministries including Aviation, Railways, Highways, Shipping etc. to develop a multi-modal connectivity network with comprehensive support for seamless movement of goods and services from one mode of transport to another.

The Government of Madhya Pradesh has made significant steps in operationalizing the PM GatiShakti SMP. This initiative encompasses comprehensive data integration of state Govt departments, having successfully uploaded 29 mandatory data layers and additional 664 data layers from 19 state departments. These data layers cover critical infrastructure elements like transportation networks, utility services, and industrial zones that form the backbone of the SMP portal. This enables precise geospatial analysis and informed decision-making.

Such widespread onboarding facilitates a collaborative approach to infrastructure planning and ensures active departmental participation to increase the multimodal connectivity. These steps will also help in the better implementation of the state's logistics policy, enhancing the efficiency and effectiveness of logistics infrastructure development and provide multimodal connectivity to various economic sectors.

20



9.2. Development of Integrated Logistics Infrastructure

To support the state's economic growth, the manufacturing and export industries must also expand significantly. The Government of Madhya Pradesh (GoMP) has undertaken various measures, including establishing, various industrial parks/estates, MMLPs, ICDs and new enterprises across different locations in the state. Given the increased industrial and agricultural activity resulting from these initiatives, the state's transportation and logistics infrastructure must expand through both Brownfield and Greenfield projects. As part of this effort, the Logistics Policy prioritizes the creation and upgradation of logistics infrastructure capacity.

9.3. Balanced Regional Development and Coordinated Planning for Logistics Infrastructure Development

The Government of Madhya Pradesh is committed to ensuring balanced regional development across the State. To achieve this, the State is identifying Priority Blocks under the Industrial Promotion Policy 2025. These priority blocks will receive additional quantum in a select set of incentives detailed out in incentives section of this policy. This approach aims to stimulate growth in developing and underdeveloped areas, fostering equitable economic development and ensuring that all regions of Madhya Pradesh benefit from industrialization and investment opportunities.

9.4. Identification of Existing Gridlocks and Development of New Infrastructure

Consultation and Gap Assessment

The Government is actively consulting relevant stakeholders for assessing gaps pertaining to industrial warehousing clusters, and logistics infrastructure (such as goods sheds, Multi-modal Logistics Parks, truck terminals, and ports) as well as for Rail connectivity for the flow of goods across the supply chain system, considering both domestic value-added exports (forward linkages) and import (backward linkages) for ensuring first and last mile connectivity.

2. Air Infrastructure Development

The GoMP will enhance existing air cargo facilities and build new ones in coordination with the Airports Authority of India (AAI) or another agency/operator. Land parcels will be designated for Multimodal Logistics Parks, Warehousing Clusters and Private Freight Terminals (PFT), with a preference for private participation. MPIDC will assist in identifying the land parcel at suitable location by leveraging MP Bhulekh Portal.

3. Road Connectivity for Logistics Infrastructure Projects

To ensure first-mile and last-mile connectivity, the nearest rail/road station, State Highway, National Highway, or Major District Road will be prioritized upon request of the project developers to the Nodal Agency for logistics in the State.

In upcoming industrial parks and clusters housing manufacturing and processing units, designated land will be allocated for constructing truck terminals or yards. These facilities aim to facilitate shared logistics operations through Infrastructure as a Service (IaaS) model and are expected to involve private investment. Collaborating with government agencies and stakeholders, the GoMP will establish MMLPs in key locations to advance intermodal transportation and superior logistics services.

4. Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs)

Government shall encourage capacity expansion of existing ICDs, CFSs, AFSs and establishment of new ICDs, CFSs, AFSs. Considering current land allocation policies and demand at strategic locations within the State.

9.5. Transportation Improvements

The state aims to transition towards a more efficient, economical, and environmentally sustainable model mix. This will be achieved by developing multimodal interconnected infrastructure and creating sectoral plans for efficient logistics. These plans will address first and last mile issues, promote innovations in the design of rolling and floating stock, encourage collaborative use of logistics infrastructure, and implement smart enforcement.

9.6. Warehousing Improvements

Madhya Pradesh will improve industrial warehousing by enabling the development of warehouses with optimal spatial planning using the PM Gati Shakti Master Plan and facilitating private investments. The state will enhance efficiency, productivity, and quality services in warehousing through the promotion of standards, rewarding excellence, and encouraging digitization, including the use of Artificial Intelligence (AI), Machine Learning (ML), and Warehouse Automation.

9.7. Inventory Management Improvements

The state plans to enhance inventory management by improving the reliability of supply chains through digitalization to facilitate tracking, improved predictability, and visibility of replenishment orders. It will also focus on improving the speed of transit by adopting smarter enforcement and de-risking supply chains through resilient infrastructure planning and implementation.

9.8. Regulatory and Order Processing Efficiency

Madhya Pradesh envisions creating a regulatory and policy environment that does not impede infrastructure development and supports investments by all stakeholders, including the private sector. This will be achieved by simplifying regulatory processes, promoting standardization and digitalization for greater integration and interoperability, easing the interface between industry and government, addressing gaps in existing policies and liability regimes, and fostering a robust ecosystem of innovative digital solutions.

9.9. Improve Logistics Capacity

Madhya Pradesh will identify and resolve issues related to logistics capacity, last-mile connectivity gaps, ground-level operations, and infrastructure which will improve its ranking in the LEADS index also. Continuous operations (24x7) of Logistics Warehouses, MMLPs, CFSs, and other Logistics units / parks allied to delivery services shall be permitted. State Government shall facilitate continuous operation of logistics and warehousing facilities including E-commerce, warehouses, wholesale stores, last-mile hubs, fulfilment centers, etc. while ensuring adherence to safety norms as prescribed by the Labour Department and other relevant authorities in a particular shift, while ensuring safety of the work force and with the prevailing labour laws.



9.10. Data-Driven Systems Development

Madhya Pradesh aims to enhance logistics efficiency through data-driven systems. This will be done through advance data analytics to monitor key performance indicators (KPIs) and drivers matrix identified under PM Gati Shakti Master Plan. Based on insights from the 'Logistics Ease Across Different States' (LEADS) study to assess and improve logistics performance across states.

Roadmap for Establishing Robust Logistics Ecosystem in MP

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10.1. Developing single window clearance systems

The Government of Madhya Pradesh (GoMP) is enhancing its single window clearance system, currently managed by Madhya Pradesh Industrial Development Corporation Ltd under the Department of Industrial Policy and Investment Promotion, Govt. of MP. The SWS has integrated services such as warehousing licenses and approvals related to agencies like the Pollution Control Board, Labor Department, Urban Planning, and Panchayat, aiming to enhance transparency and efficiency throughout the onboarding process.

10.2. Encouraging development of MMLP / Logistics Parks on PPP model

The government is keen on encouraging private participation and leveraging private sector expertise in warehouse management as well as supply chain players in the Logistics sector. The government will focus on preparing and developing government land suitable for Logistics Parks and MMLPs, ensuring last mile / connectivity infrastructure and bidding these land parcels out on Design-Build-Finance-Operate for large Logistics infrastructure creation.



10.3. Sustainable and Resilient Logistics Ecosystem/ Green Technologies

Key strategies include promoting sustainable transportation modes, adopting green fuels and technologies to minimize emissions, and integrating energy-efficient design standards into logistics infrastructure. Use of Electric vehicles as well as vehicles that use alternative fuels such as CNG, Hydrogen, LNG, and ethanol will be encouraged to establish Madhya Pradesh as a model state for green technology adoption. The Government aims to mitigate the environmental impact of the logistics sector by prioritizing a modal shift from road transport to eco-friendly rail, facilitated through the various Govt initiative for Logistics sector.

10.4. Leveraging PM GatiShakti SMP & Other Digital Initiative

The Government of Madhya Pradesh will facilitate private players to use its PM GatiShakti SMP platform for planning Logistics and Warehousing projects. By utilizing the GIS-based state master plan portal, they can identify the most efficient transportation routes, minimizing time and cost for goods movement and enhancing last-mile connectivity of infrastructure, developing a comprehensive infrastructure network encompassing roads, railways, waterways, airports, and ports.

10.5. Unified Logistics Interface Platform (ULIP)

Madhya Pradesh shall strive to adopt ULIP (Unified Logistics Interface Platform), a standardized interface connecting various logistics systems, enabling seamless communication among them. Designed to streamline and optimize logistics processes, ULIP aims to boost efficiency and lower costs for logistics companies. Serving as a unified platform for all logistics service providers, it enhances transparency and competitiveness within India's supply chain ecosystem.

Key Benefits:



Real Time Inventory Management



Identifying suitable mode of transport.



Transparent and Visibility.



User friendly information about price, labour and transits.



Collective solution for Government, Stakeholders, and Service provider.



Ease of Doing Business

10.6. Tracking and Real Time Monitoring Infrastructure

The Government of Madhya Pradesh (GoMP) shall facilitate logistics service providers in the state to adopt technology by providing support for technology adoption. Which will enhance/enable:

- **Cargo Tracking and Tracing**
- **Information exchange and documentation for logistics processes**
- **Process Improvement**
- **Service Quality**

The GoMP will encourage and promote tracking and tracing of cargo movement along major Export-Import (EXIM) corridors in the State to enhance logistics network management, streamline the value chain, and improve transparency within the logistics ecosystem.

10.7. Technology based interventions for monitoring compliances

To enhance efficiency and effectiveness in the logistics sector, Madhya Pradesh will accelerate the deployment of IT-based systems and enforcement mechanisms. This includes implementing traffic cameras, RFID tags on freight vehicles, Automatic Number Plate Recognition (ANPR), establishing an R&D Cell, integrating robotics in material handling, adopting automated supply chain solutions, leveraging blockchain technology, and integrating government data repositories such as the Labour Management Information System (MIS) in collaboration with the Labour Department to ensure robust worker engagement in the logistics sector.

The State Government will prioritize adopting IT-based, data-driven approaches for risk assessment and regulatory compliance enforcement, utilizing the Logistics Data Bank, which is an overarching solution that integrates information available with various agencies across the supply chain to provide detailed real time information on a single window platform. This initiative shall aim to enhance decision-making, minimize idle time on highways, and reduce logistics costs by reducing dependencies on traditional operational practices.

10.8. Enabling Skill development in the logistics sector

A skilled workforce is essential for attracting investments and fostering new businesses in the logistics sector. The policy focuses on skill development to create a 'win-win' scenario: logistics companies can enhance service levels and performance, while residents gain employment and livelihood opportunities, by developing a comprehensive Logistics Sector Skill Plan for the state in collaboration with state and national-level educational institutions, government agencies, and the logistics industry skill council. This plan aims to address skill gaps and prioritize high-demand job categories within Madhya Pradesh's logistics industry through tailored training and capacity-building initiatives.

In pursuit of this goal, the government will:

- I. **Collaborate with government bodies and ITI institutes to establish Skill Development Programs.**
- II. **Introduce specialized courses to equip workers across various logistics sub-sectors.**
- III. **Engage the private sector in initiatives aimed at skill development and job creation.**

Eligibility for Incentives under Logistics Policy

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Warehousing means “Industrial Warehousing” and shall be only used for non-agricultural products. The units storing primary agricultural produce shall not be eligible for these incentives.

2. Logistics Park must have all required necessary statutory permissions/approvals, approval of layout plan from the Competent Authorities.
3. Logistics and Warehousing Infrastructure shall mandatorily start operations within 3 years from the date of approval/sanction and shall continue to be operational for a minimum period of 10 years after completion or from approval date, otherwise, Financial Assistance disbursed will be recovered.

Incentives for creating Logistics and Warehousing Infrastructure

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Incentives under this policy will be available for entrepreneurs setting up Logistics and Warehousing Infrastructure on government land as well as private owned land. The provisions for allotment of government land within industrial parks or any other government land for setting up Logistics and Warehousing Infrastructure will be as per the prevalent MP Land Management Rule for industries.



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12.1. Fiscal Incentives for Logistics Parks, ICDs and MMLPs

12.1.1. Minimum Land Area Requirement for Logistics Parks, ICDs and MMLPs

The minimum land area requirement and investment in Logistics and Warehousing Infrastructure, as defined under the policy is given below:

Area of Logistics and Warehousing Infrastructure	Minimum width of approach road	Minimum Fixed Capital Investment (excluding land)
25 acres to 75 acres	12 meter	Rs. 50 crore
More than 75 acres	18 meter	Rs. 100 crore



12.1.2. Fiscal Incentives for Logistics Parks, ICDs and MMLPs

1. Incentive Provided on Investments

Logistics and Warehousing Infrastructure as defined in the policy shall be eligible for Investment Assistance as follows:

S. No.	Area of the Park/facility	Investment Assistance Percentage*	Maximum Limit
I.	25 acres to 75 acres	30%	INR 50 Crore
II.	More than 75 acres	30%	INR 75 Crore

* of the Fixed Capital Investment (FCI)

Fixed Capital Investment shall include - Internal roads, railway sidings, air strips, cargo terminal power related infrastructure, water infrastructure, waste water drainage, telecom and other utilities. It shall also include Plant and Machinery, buildings. All handling equipment including automated handling equipments, measurement equipment, safety equipment, generator sets, transformers, maintenance equipment etc excluding land cost and dwelling units

2. Reimbursement of Stamp Duty and Registration Fees

Reimbursement of 100% Stamp Duty and Registration Fees on Purchase / Lease of land for establishment of Logistics Parks / MMLPs, up to a maximum limit of INR 5 Crore.

3. Assistance for Certified Green Logistics Parks and MMLP

Reimbursement of 50% of the certification fee for Indian Green Building Council (IGBC) for Gold and Platinum certification, applicable to Logistics Park, MMLP and warehouse, subject to a maximum of Rs. 20 lakh.

4. External Infrastructure Development Assistance

The government will provide reimbursement for developing connecting last mile road, rail infrastructure and drainage infrastructure 50% of the total expense or maximum upto Rs. 5 crore.

5. Provision for Allotment of Undeveloped Land

Provision for allotment of undeveloped land for warehousing and logistic activities as per Collector Guideline rates shall brought in the Land Management Rules.

12.2. Fiscal Incentives for other Logistics and Warehousing Infrastructure, Private Freight Terminal (PFT) / Gati Shakti Cargo Terminal (GCT), Container Freight Station (CFS) Air Freight Station (AFS) / Air Cargo Complex (ACC)

12.2.1. Minimum Land Area Requirement for other Logistics Infrastructure The minimum land area requirement and investment in Logistics and Warehousing Infrastructure, as defined in the policy is given below:

S. No.	Area of Logistics and Warehousing Infrastructure	Minimum width of approach road	Minimum Fixed Capital Investment (excluding land)
1	5 to 10 Acres	10 meter	Rs. 10 crore
2	10 acres to 50 acres	12 meter	Rs. 50 crore
3	More than 50 acres	18 meter	Rs. 100 crore

12.2.2. Fiscal Incentives for other Logistics and Warehousing Infrastructure, Private Freight Terminal (PFT) / Gati Shakti Cargo Terminal (GCT), Container Freight Station (CFS) Air Freight Station (AFS) / Air Cargo Complex (ACC) (as defined in the policy)

1. Incentive Provided on Investments

Logistics and Warehousing Infrastructure as defined in the policy shall be eligible for Investment Assistance of 30% of the Total Capital Expenditure, per Unit or per Applicant as applicable based on the area as under.

Area of Logistics and Warehousing Infrastructure	Maximum cap in Rs.
5 to 10 Acres	5 Cr
10 acres to 50 acres	15 Cr
More than 50 acres	25 Cr

The total capital expenditure shall encompass Plant and Machinery, buildings including internal roads, drainage, electrical and water infrastructure, all handling equipment, measurement equipment, safety equipment, generator sets, transformers, maintenance equipment, etc., excluding land costs and dwelling units.

2. Reimbursement of Stamp Duty and Registration Fees

Reimbursement of 100% Stamp Duty and Registration Fees on purchase of land or lease for establishment of other Logistics and Warehousing Infrastructure, up to a maximum limit of INR 5 Crore

3. External Infrastructure Development Assistance

The government will provide reimbursement for developing connecting last mile road, water, power and drainage, infrastructure 50% of the total expense or maximum amounting to Rs.3 crore

4. Provision for Allotment of Undeveloped Land

Provision for allotment of undeveloped land for warehousing and logistic activities as per Collector Guideline rates shall be brought in the Land Management Rules.

5. Assistance for the Conversion of Agricultural Produce Warehouses to Industrial Warehouses

All agricultural produce warehouses with minimum storage capacity of 10,000 MT shall be eligible for conversion to industrial warehouses. They will be eligible for reimbursement of 40% of the total cost of conversion to industrial warehouses, up to a maximum limit of INR 1 Crore. The agricultural warehouse must be registered with competent authority of the state government.

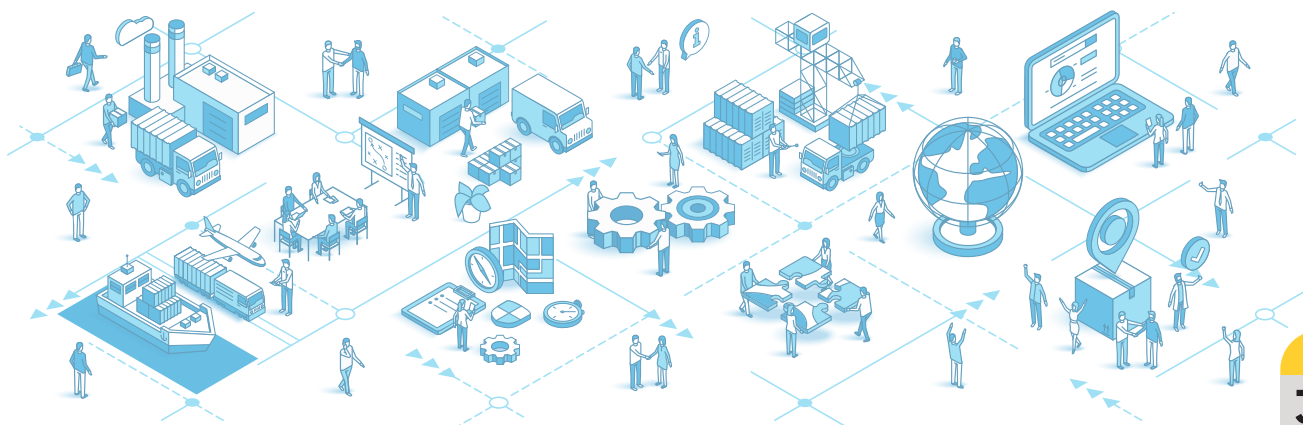
The conversion shall include, but shall not be limited to, the following activities:

Cargo handling infrastructure like industrial dock levelers, steel tiles, anchor plates, or metal grids embedded in concrete for loading and unloading platforms, ensuring the capability to handle the heavy impact of industrial goods.

High-efficiency lighting suitable for industrial operations along with air turbo ventilation for enhanced airflow and operational efficiency.

Industrial-grade flooring with load-carrying capacity sufficient for handling industrial goods. Systems and IT hardware and software required for warehousing. Packaging and handling facilities.

The applicant shall comply with all applicable laws and regulations, obtain all necessary approvals from concerned authorities for construction and operation, and ensure that the project is adequately insured.



12.3. Sanction of Incentives

Investment Assistance shall be sanctioned on a milestone basis as provided below

- First installment: First installment of 40% of the assistance shall be released after completion of construction / commencement of operations (COD).
- ii. Second installment: Second installment of 30% shall be released on completion of one year from COD.
 - iii. Third installment: Third installment of 30% shall be released on completion of two year from COD.
 - iv. Completion of construction / COD will be considered when the first consignment of goods has been received at the facility.



12.4. Non-Fiscal Incentives

1 Development of Green Channel for EXIM

Cargo.

The State shall designate green channels, subject to reduced inspection during transit, to mitigate delays for vehicles transporting export-import cargo originating from Multi-Modal Logistics Parks (MMLPs) and Inland Container Depots (ICDs) within the state. The State shall develop MMLPs and ICDs in strategically significant areas to facilitate the promotion of EXIM cargo.

2 Fast-track Building Permission

Building permissions for the MPIDC/MSME Notified Area shall be issued by the respective governing agencies (MPIDC/MSME or any other designated agency). Also MPIDC shall facilitate the change in land use.

3 Single Window system

Strengthening of the Single Window system for the processing of logistics and warehousing infrastructure approvals, involving agencies such as the Pollution Control Board, Labor Department, Urban Planning and Panchayat.

4 Allowing continuous Operations 24x7

Continuous operations 24*7 of Logistics and Warehousing Infrastructure. This will be contingent upon adherence to the safety norms of the Labour Department and other relevant authorities, ensuring the safety of the workforce, and compliance with prevailing labour laws. MPIDC shall strive with the Labour Department for facilitation of the same.

5 Concession in Ground Coverage

Logistics and Warehousing Infrastructure shall be permitted a higher ground coverage of up to 70%, subject to compliance with setback and fire safety regulations, as well as existing Floor Space Index (FSI) norms.

6 Maximum Floor Area Ratio

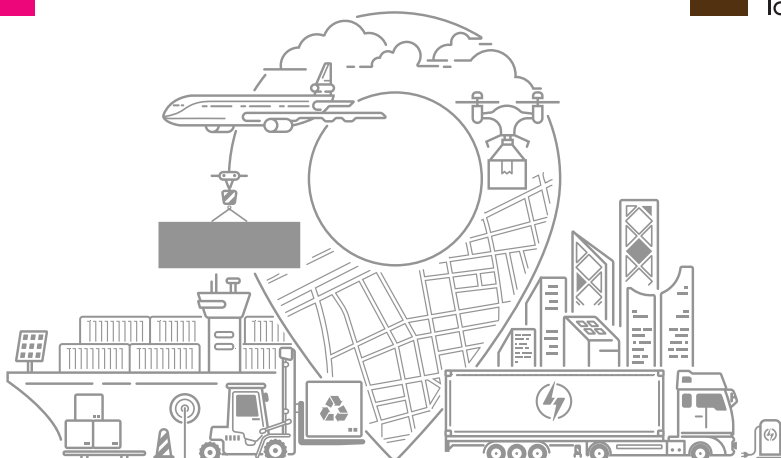
FAR shall be increased to 1. If FAR of more than 1 is required the same can be purchased as per the prevalent policy of concerned Department.

7 Housing norms in and around MMLPs

Provision for dormitories for workers, 1% of permissible FAR shall be permissible.

8 Skill Workforce

State shall facilitate skill development by collaborating with government bodies and ITI institutes and introducing specialized courses to equip workers across various logistics sub-sectors.



Terms and conditions

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MPIDC will be the nodal agency for implementation of this Policy.

2. Other terms and conditions shall be applicable as per the Industrial Promotion Policy 2025.
3. The MSME units covered under this policy shall be implemented by the respective department.

Amendment, Relaxation/ Revocation Powers

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State Government may, at any time:

Modify or cancel any provision in this policy.

2. Provide relaxation in implementation of provisions in this policy.
3. Issue directions, instructions and guidelines for interpreting the implied provisions to facilitate execution of the provisions.

Court Jurisdiction

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This policy shall be governed by and construed in accordance with the laws of India. Any dispute, claim, or controversy arising out of or relating to this policy, including its interpretation, execution, or enforcement, shall be subject to the exclusive jurisdiction of the courts located in the State of Madhya Pradesh, India.





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