Global Transport and logistics sector is expected to reach USD 15.5 Trillion by 2024.

In terms of volume, globally, transport and logistics sector (Freight & Logistics) was valued at 68 Billion tons in 2019 and is expected to reach 92.10 Billion tons by 2024.

Asia-Pacific region accounts for nearly 47% of the global Industry, at an estimated size of USD 3.8 Trillion in 2015.
INDIA SCENARIO

- In the “World Bank Logistics Performance Index”, India’s rank improved by 10 places to 44 in 2018 from 54 in 2014.
- India’s logistics sector currently employs nearly 22 million people and is expected to grow at a rate of 16% till 2020.

SECTOR CONTRIBUTION TO INDIAN ECONOMY

- ROAD TRANSPORT: 0.628
- RAILWAYS: 0.154
- SERVICES INCIDENTAL TO TRANSPORT: 0.15
- AIR TRANSPORT: 0.03
- STORAGE: 0.01
- WATER TRANSPORT: 0.01

LOGISTICS SECTOR SIZE (US$ BN)

- 2017: 160
- 2021: 215

CAGR 10%
**Logistics Sector Given INFRA Status**

- Sector will be able to avail infrastructure lending at easier terms with enhanced limits of FDI, access to larger amounts of funds as External Commercial Borrowings (ECB)
- Eligibility to borrow from India Infrastructure Financing Company Limited (IIFCL)

**Creation of a Logistics Division at Department of Commerce (GOI)**

- Creation of an integrated action plan for development of the logistics sector
- Aims to bring down logistics cost from 14.4% to 10% of GDP by 2022
- Bringing logistics sector to global level in terms of cost & efficiency

**Foreign Trade Policy 2015-20**

- Lays down measures for infrastructure development
- Identify measures for overall enhancement of trade ecosystem
- "Trade Infrastructure for Exports Scheme" launched to assess gaps in logistics infra
DEMAND DRIVERS IN THE INDUSTRY

AGRICULTURAL BASED
- India is the second largest producer of vegetables and fruits after China
- Because of the lack of infrastructure and broken cold chain, more than 30% of agri-produce is lost in fields post harvesting
- There is a shortage of more than 10 million tones of cold storage for agri-produce in India

MANUFACTURING BASED
- The manufacturing sector is growing at a compound annual growth rate (CAGR) of 7.3% since the past nine years
- The logistics cost is 14% of the total GDP in India

CONSUMPTION BASED
- Booming e-commerce industry
- The fast-moving consumer goods (FMCG) market is also gaining traction

EXIM BASED
- EXIM cargo is expected to increase to 2,800 MMT by 2020
- Containers handling is growing at about 11% CAGR
Madhya Pradesh has a well developed transport infrastructure of roads, rails and airports.

5200 KMs of National Highway runs across the state with total length of the roads in the state estimated around 67,600 KMs.

The state also has 5000 km of railway networks with 550 trains passing through the state daily.

MP has 5 operational domestic airports. The Indore and Bhopal airport have the capability to handle international flights. The mammoth transport infrastructure of the state provides connectivity with all the key cities and major ports.

Under the National Highway Development Program of NHAI 1254 km of the existing roads are being converted into four lane highways.
Madhya Pradesh is on the roadway to create state-of-the-art infrastructure, which is essential to sustain the modern supply chain & logistics industry.
MADHYA PRADESH SCENARIO

**Matrix of Distance from Central Vis-À-Vis Others Part of Country**

<table>
<thead>
<tr>
<th>City</th>
<th>Distance (Km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delhi</td>
<td>744</td>
</tr>
<tr>
<td>Mumbai</td>
<td>779</td>
</tr>
<tr>
<td>Ahmedabad</td>
<td>568</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>839</td>
</tr>
<tr>
<td>Bangalore</td>
<td>1401</td>
</tr>
<tr>
<td>Kolkata</td>
<td>911</td>
</tr>
<tr>
<td>Pune</td>
<td>802</td>
</tr>
<tr>
<td>Vadodara</td>
<td>509</td>
</tr>
</tbody>
</table>

**Key Attributes of a Logistics Hub**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic Location</td>
<td>Being Centrally located, MP provides inherent advantage as a logistics and distribution hub for companies</td>
</tr>
<tr>
<td>Linkage with Other Cities</td>
<td>Well connected through roads, rail &amp; by air with other major cities</td>
</tr>
<tr>
<td></td>
<td>Convenient linkages to Kandla Port, Jawahar Lal Nehru port, etc</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>MP has well-developed transport infrastructure</td>
</tr>
<tr>
<td></td>
<td>Indore and Bhopal Airports have the potential to handle international flights</td>
</tr>
<tr>
<td>Skilled Labour</td>
<td>Cost of labour US$ 2.3 per day as compared to US$ 3.5 - 4 per day in metro cities</td>
</tr>
<tr>
<td>Labour Peace</td>
<td>Man days lost due to strikes &amp; lockouts is less than 0.5% of the total available man days</td>
</tr>
</tbody>
</table>
COMPOSITE LOGISTICS HUB AND INLAND DEPOT (PAWARKHEDA & DHANNAD)

KESAR MULTI-MODAL LOGISTICS LTD, PAWARKHEDA

- Logistics hub at Pawarkheda (Itarsi) is developed in area of 88.30 Acres
- The hub is in operation with ultra modern facilities of Warehouses (21,500 MT), Cold Storages (2600 MT) and Inland Container Depot (2500 MT), two railway sidings & a processing area

ICD DHANNAD

- ICD Dhannad is the first dry private port of Central India
- It is one of the largest port of the state till date
- It is the first road based ICD of the territory. It provides the fastest roads linkage between Indore and Mumbai

Due to conducive Logistics and Warehousing policies, the state has been growing consistently.
WAREHOUSING & LOGISTICS CORPORATION

- M.P. Warehousing & Logistics Corporation is an autonomous body engaged in scientific storage of agriculture and associated produce in the state.

- Considering strategic location, the state has the potential to become a hub for storage of food grains and consumer goods.

- MPWLC was started with 6 branches having 11,000 Tons capacity and has grown manifold with the present storage capacity (own) of 26.27 lakhs (up to September 2018-19) Metric tons.

- The Corporation is a founder member of National Association of Warehousing Corporations.

Source: MPWLC [http://mpwarehousing.com/profile.php]

---

DEPOSITOR WISE WAREHOUSE POSITION IN % FOR THE YEAR 2018-19 (UP TO MARCH 2019)

Source: CoMP Departments
Source: MPWLC [http://mpwarehousing.com/profile.php]
FACILITATING AGRICULTURAL E-WAREHOUSING LICENSE

FOLLOWING 5 DOCUMENTS ARE TO BE UPLOADED ALONG WITH THE APPLICATION FORM (The license is valid for 5 years from the date of issuance)

1. Fitness-cum-completion certificate issued by an Engineer not below the rank of Assistant Engineer working as employee of Government or Public Undertaking or Local body
2. Challan of license fee
3. Self-declaration certificate regarding all the information and document being correct
4. Document of insurance policy
5. Sample grader license issued by district supply controller/officer

Investors can apply for Agricultural E-Warehousing License from http://mpsc.mp.nic.in/WAREHOUSE/WAREHOUSELICENSE/index.html#close
INCENTIVE BOOST FROM GOVERNMENT OF MADHYA PRADESH

**Investment assistance of 15% (maximum USD 2,178,300) on Gross Fixed Capital Investment**

**Infrastructure development assistance of 50% (maximum USD 14,522) to construct access infrastructure**

**100% reimbursement of stamp duty and registration charges**

**Electricity duty exemption for 5 to 10 years for High Tension (HT) connection by a DISCOM**

**Relaxed Floor Area Ratio (FAR) of 1: 0.60 and maximum ground coverage of 60%**

**Land allotment on ‘first come first serve’ basis for Logistics Hub/Park in the developed & developing Industrial Areas of MPIDC**

**Land requirements:**

- Land should be within the approved layout plan of town planning
- Minimum size of land should be 1 hectare in Industrial area and 2 hectare in planned area and 2 hectare in non-planned area
Principal Secretary,  
Department of Industrial Policy & Investment Promotion  
Vallabh Bhavan, Bhopal, Madhya Pradesh (INDIA)  
Phone: +91-755-2708661  
Email: pscomnind@mp.gov.in

Managing Director  
MP Industrial Development Corporation Ltd.  
16-A, CEDMAP Bhawan, Arera Hills,  
Bhopal, Madhya Pradesh (INDIA)  
Phone: +91-755-2575618, 2571830  
Email: facilitation@mpidc.co.in