

**THE TRIPURA INTERGRATED**  
**LOGISTICS POLICY, 2022**

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## Executive Summary

The logistic sector is the backbone of the economic growth. The growth of many other sectors depends on this sector and logistics becomes very important to the state of Tripura because of its geographical location. As the sector involves many departments and agencies, an integrated policy is required for effective coordination.

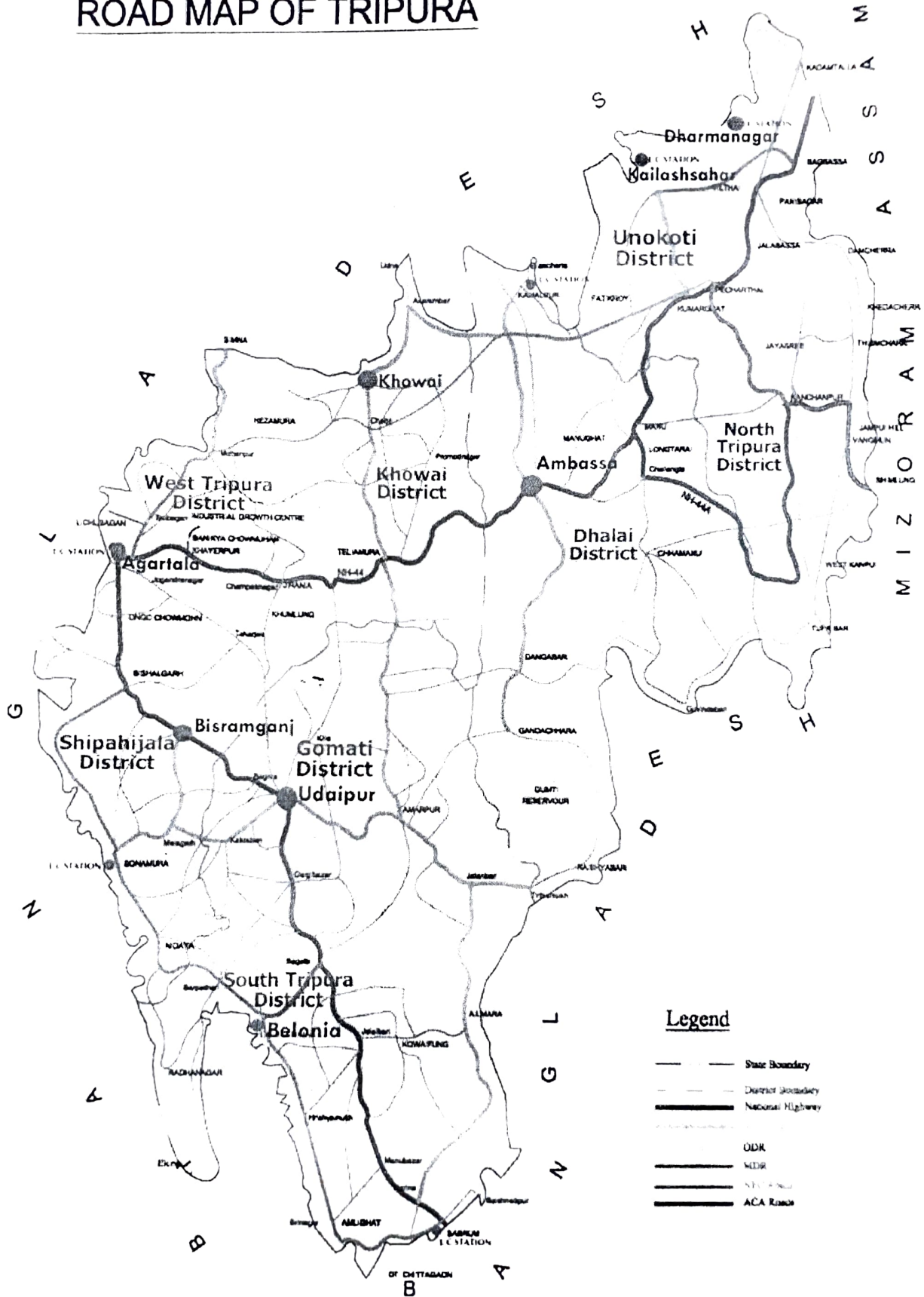
The PM-Gati Shakti National Master Plan was launched by Government of India with this objective and to integrate the intervention of Central and State Governments. This aims at effective coordination among all the stake holders thereby enabling an ecosystem which can boost economic growth and enhance the competitiveness.

The Tripura Integrated Logistic Policy 2022, endeavours to streamline the development of all industrial estates and economic zones in the State, promote logistic infrastructure, augment the existing resources and thereby attract the investments to promote employment and economic development of the State.

The components of the policy includes fiscal incentives, granting the Industry Status to the Logistic Sector, Land Allotment Assistance, Standardization and developing sectorial needs and policy for each mode of transport and finally use of modern technology for better monitoring and invention as and when required.

The Department of Industries & Commerce will work as the Nodal Department to implement the integrated logistics policy. The assessment of the policy will be done every year. The nodal department shall take inputs from all the departments and industries at regular intervals, assess the impact on the policy and introduce changes as required.

## ROAD MAP OF TRIPURA



# 1 Introduction

Logistics play an important role in the economic growth and economic development of the State and thus are vital in generating employment and attract investments. However as logistics sector involves many departments and agencies, an integrated policy is required for effective coordination. Also there is an urgent need to connect all various modes of transport for seamless and efficient connectivity to optimise resources.

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## 2 Vision

“ To develop an integrated logistic ecosystem in the State by augmenting the existing logistic infrastructure, streamlining the development of all industrial estates and economic zones, and thereby promoting employment and economic development of the State.”

## 3 Objectives of the policy

With the intent of developing and establishing the integrated, efficient, reliable, cost-effective and multi modal logistics networks, the Tripura Integrated Logistics Policy envisages:



1. To efficiently utilise and optimise the existing logistical infrastructure facilities.
2. To develop the existing and new logistical infrastructure and allied industries/ services based on forecasted needs of the State.
3. To develop storage and warehousing facilities at various strategic locations within the State.
4. To develop support infrastructure and multi-modal integration for providers of logistics services provision for hard and soft support infrastructure.
5. To develop Air Freight Stations (AFS) and Air Cargo Complexes (ACC) at strategic locations.
6. To develop truck terminals, driver rest areas and parking spaces. To develop dry-ports at various custom points for rail, road maritime logistical operations.
7. To support the growth of e-commerce.
8. To create a single point of reference for all logistics related matters in the State.
9. To promote private sector participation for logistics capacity building and development.
10. To develop the Gateway of North East with Bangladesh, Myanmar, Thailand and act as a bridge to ASEAN and BIMSTEC.

#### 4 Components of the Policy

The components of the policy includes fiscal incentives, granting the Industry Status to the Logistic Sector, Land Allotment Assistance, Standardization and developing sectorial needs and policy for each mode of

transport and finally use of modern technology for better monitoring and invention as and when required.

#### **4.1 Procurement of Land**

- a) It is proposed that approximately 30ft land may be acquired along with the National High Way and State High Way for the Logistic related infrastructure that may reduce the cost and bring in better competitiveness of the manufacturing in the State. Wherever the land bank is not utilized the same can be auctioned at a later date to realise the true potential.
- b) Development of the road and rail infrastructure in the State is a necessity. In existing Rail stations additional land for developing warehouses facilities, storage facilities, movement through other modes of transport etc. would help in giving the boost to the existing infrastructure and make the Industry more competitive. In the logistics sector land use policy helps reduce the cost of setting up of units. The conversion of agricultural land to develop logistics related infrastructure will be easier thereby improving feasibility of perfect and ensuring healthy returns for investors and it may be provided from proposed Industrial land bank near National Highway and State High Way.
- c) Through the Rail Station, Land Custom Station, Multi-modal Transport Station cannot be realized till a wider corridor for the movement of Trucks, Cargo Vehicles are not facilitated. Accordingly, this policy aims to study and propose procurement of land in standardization manner for development of approach roads and Rail lines in the existing Rail Stations namely at Agartala, Jirania, Dharmanagar, Sabroom, Udaipur.

- d) A minimum 30 ft of either side of the roads and 10 % in the Industrial Estates may be set aside to have an eco system for efficient logistic movement through the warehouses to the National High Way.

#### **4.2 Creation of Aggregation Hubs**

The concerned Department shall identify strategic, commodity-specific and / or market-specific locations to establish aggregation hubs. The locations will be identified based at the district/ village/clusters of villages level, and in some cases, evolving around specific commodities and also shall ensure the availability of cold storage/ warehousing at the aggregation hubs based on the commodities (perishable and semi-perishable). The aggregation hubs shall also be used as a centre for storage of perishable and non-perishable commodities.

The proposal to develop integrated Logistic Park through PPP, Integrated Check post including warehouse and enhancing multimodal transport and provide necessary infrastructure around the strategic location would be seen by this committee.

#### **4.3 Development of truck terminals and driver resting facilities :**

One of the key issues faced by transportation industry (also highlighted in LEADS survey) is availability of hygienic resting facility for drivers. Development of comprehensive transport zones (near the national and state highway) and parking terminals on key freight routes across expressways, NH, SH, investment zones and industrial corridors will facilitate better working environment for transportation industry. These comprehensive transport zones and terminals will have common facilities for goods vehicles such as workshops, canteens, res-houses, amenity services, banks etc. Transport Department, Government of Tripura has already taken



a proposal of the above mentioned amenities for the drivers near the national and state highway and also in logistic parks.

ADB, World Bank and Ministry of DONER have already formulated a comprehensive report on movement of goods and services in the North Eastern Region. The best practices of the Ministry and ADB would be incorporated in the policy. Such as development of Centre of Excellence and making Green Logistic Policy for reducing carbon emissions and use of modern technology to have pipelines etc. Herein the Department of Industry and Commerce has already taken the lead to have comprehensive gas distribution policy. Further to create the Centre of Excellence where logistic sector projects and best practices will be identified in the State. A special focus would be made to develop the thrust sectors in the State.

#### **4.4 Thrust Sector**

Based on comparative advantage of the State in terms of resource endowments, and in line with the industrial base of the State, the focus sectors for manufacturing from the State would include, among others,

1. Tea, Rubber, bamboo, Agar wood products, plastic waste, municipal waste agro waste,.
2. Agro and allied products, Food Processing, Floriculture, Organic Farming, Bamboo products, Ornamental fishes.
3. Sericulture, bamboo, traditional Handloom and Handicraft product.
4. Information Technology related products like IT/ITES, Financial Services, Fin Tec, BOP, e-commerce etc.
5. Tourism promoting activity (water sports, ropeway, adventure and leisure sports, flow ting restaurant) including medical tourism, Hospitality and well ness.
6. Healthcare and Education and

7. Skill development and development of women entrepreneurship.
8. EV Architecture.

#### **4.5 Fiscal Incentives**

Fiscal incentives or developing logistics infrastructure are to be given as per Tripura investment promotion incentive scheme (TIIPIS) 2022 (presently applicable up to March 2027)

The fiscal incentives in the Logistic sector, like in manufacturing would be extended as infrastructure sector. Further as and when Government of India releases any subsidy for the development of the North East the same will be extended to the Logistic Sector.

#### **4.6 Ease of Doing Business:**

- a) The Government of Tripura has been promoting Ease of Doing business by effecting policy and regulatory changes to promote private sector growth and attracting investment in the State. A number of measures have been taken up by the government to provide an environment conducive to set up new businesses and do business in Tripura by creating single window clearance portal incorporating time bound delivery of public services, facilitating fast track statutory clearances, simplifying of license and inspection and enabling entrepreneurs to file single and common application form for obtaining all approvals for setting up of business.
- b) Help desk for Warehouse/Logistics Parks will be included in Single window clearance. Smart Enforcement by transport, police, mining, and forest department based on technology assisted risk assessments.

#### 4.7 Monitoring Committees

a) **Core Committee** : To oversee the development of the logistic sector, improving multi-modal transport and stream line the transport sector, a core committee is formed and will be headed by Chief Secretary. The other members are mentioned below

- 1) Secretary, Home Department
- 2) Secretary, Transport Department.
- 3) Secretary, Industry and Commerce Department.
- 4) Secretary, Agriculture & Horticulture Department
- 5) Secretary, PWD Department.
- 6) Secretary, Urban Development Department.
- 7) Secretary, Revenue Department.
- 8) Secretary, Planning Department.

This committee would address issues to have a seamless movement and faster clearances and setting aside the resources for the development of the logistic park. The Committee would meet to address bottlenecks and will act as Logistic crisis management. The committee can ask the participation of the private sector and deliberate on the policies as and when required. The meeting of the committee would be held every quarterly for monitoring the status of PM-Gatishakti.

b) **Warehousing and Logistics Parks Sub Committee** : Led by Secretary Industry and Commerce Department with the following members.

- 1) Secretary, Revenue department
- 2) Secretary, Food department
- 3) Secretary, Agriculture & Horticulture Department
- 4) Secretary, Transport department
- 5) Secretary, PWD department

- 6) Any other department / agency as required for the specific issue.

This committee will be monitoring the warehouse approvals through single-window mechanism, drive the growth of logistic hubs and also coordinate with central agencies on all relevant programs and schemes

- c) **RoadTransport Sub Committee** led by Secretary, Transport Department with the following members

- 1) Secretary, Revenue department
- 2) Secretary, Home department
- 3) Additional PCCF
- 4) Any other department / agency as required for the specific issue.

The committee will be looking at all issues related to road transport including the truck agglomeration, and road safety etc.

- d) **International TradeSub Committee** led by Secretary, Industries & Commerce department with the following members

- 1) Secretary, Home department
- 2) Secretary Transport
- 3) IG, BSF
- 4) Representative of Central Board of Indirect Taxes and Customs
- 5) Representative of Land Ports Authority
- 6) Any other department / agency as required for the specific issue.

The committee will be looking at all issues related to coordination of trans border trade and also drive the upgradation of border haats.



## 5 Policy Period

This policy shall come into force with effect from the date of its notification and shall remain valid for a period of 5 (five) years or till the declaration of a new or revised policy, whichever is earlier.

## 6 Nodal Department

The Department of Industries & Commerce will work as the Nodal Department to implement the integrated logistics policy. The Department of Industries & Commerce will be referred as the 'Nodal Department' in this policy document.

## 7 Assessment of the Policy and Amendments

The assessment of the policy will be done every year. The nodal department shall take inputs from all the departments at macro and micro level and appraise the core-committee on the impact of the policy and decisions by the core-committee will be implemented accordingly.

If there are any decisions that require the amendment of the policy, then the nodal department shall take it up through the approval of the State Cabinet.

## 8 Operational Guidelines

Operational guidelines including application forms, procedures, checklist, etc. for availing various incentives will be issued separately.



## Annexure : Gist of the provisions of incentive/ subsidy

Logistics infrastructure are to be given as per Tripura investment promotion incentive scheme (TIIPIS) 2022 (presently applicable up to March 2027)

sl. No	Provisions of Subsidy	Details of the Provisions
1	Capital Investment Subsidy	a) Non-Thrust Sector MSMEs: 30% of fixed capital investment with ceiling of Rs.100 Lakhs per enterprise. b) Thrust Sector MSMEs: 40% of fixed capital investment with ceiling of Rs.125 Lakhs per enterprise. c) Additional Subsidy for ST/ SC/ PH/ Women enterprises @30% or 40% within the upper ceiling of Rs.100 Lakhs/ 125 Lakhs. d) For Large units @30% or 40% of investment on Land & Building with upper ceiling of subsidy Rs.200 Lakhs. e) For Private infrastructure Developer for creation of industrial infrastructure, subsidy will be @30% with upper ceiling of Rs.500 Lakhs.
2	Procurement Preference	a) 15% Procurement Preference to local manufacturer on all purchases through tenders by State Government Agencies on products manufactured in Tripura, subject to 20% value addition within State. b) Local enterprises having capacity of partial supply of the tendered

		quantity/value shall be allowed to participate in tender process for minimum 40o/o of the tendered quantity, subject to 20Vo value addition within State.
3	Industrial Promotion Subsidy	a) 100% reimbursement of net amount of SGST actually paid by an enterprise. b) Non-Thrust Sector with an overall ceiling of Rs.80 Lakhs per enterprise per annum. c) For Thrust sector with an overall ceiling of Rs.125 Lakhs per enterprise per annum. d) Aggregating enterprise limit of entitlement of an for 5 years shall not be exceedin to 150% value of investment Page 26 of 29 Annexure-II I I I I 2 I I I I I made in plant & machinery.
4	Power charges	a) Power charges will be provided to industrial units having connected load of above 20HP @ Rs.5.00 per unit without any upper ceiling. b) Industrial units having connected load up to 20 HP shali be reimbursed @ 25o/o of the power charges actually paid: e) For Non-Thrust Sector with an overa1l ceiling of Rs.15 Lakhs per enterprise per annum, l) For Thrust sector with an overall ceiling of Rs.25 Lakhs per enterprise per annum
5	Partial Reimbursement of Interest on Term Loans	a) For Non-Thrust Sector: 4o/o reimbursement of interest paid on Term loan with upper ceiling of Rs.5.00 Lakhs per enterprise per annum. b) For Thrust sector: 57o reimbursement of

		interest paid on Term loan with upper ceiling of Rs.12.00 Lakhs per enterprise per annum
6	100% Reimbursement of charges/ fees for obtaining Standard Certification/ Technology Know	a) Full reimbursement of fees/ charges for obtaining of Standard Certifications & subsequent renewal in 12 selected areas issued by National and International bodies. b) One time full reimbursement of fees payable for getting Technical know-how/ Technology Transfer from any recognized national/ international organizations.
7	Earnest Money and Bid Security Deposits	a) 100% Exemption to local manufacturer from payment of Earnest Money & Bid Security Deposits on tenders floated by State Government Agencies for procurement of goods. b) Local service sector entrepreneurs (excluding works contract & IT/ ITes) eligible for State Capital Investment Subsidy under TIIPIS, 2022 shall also be allowed for the said benefit.
8	Employment Cost Subsidy (For Thrust Sector MSMEs only)	100% reimbursement of expenditure to MSMEs on account of contribution made towards Employee's Provident Fund and Employee's State Insurance Scheme for a period of 5 years on employment of 20 or more persons who are domicile of the State
9	Subsidy on fees paid for Credit Guarantee Trust	100% reimbursement for one time guarantee fees & service fees paid every year by Micro & Small enterprises for CGTMSE coverage taken

	Fund for Micro & Small Enterprises (CGTMSE)	on loan granted by Banks/ NBFCs
10	Export Promotion Subsidy	a) 100% reimbursement of value of goods exported to Bangladesh through the Land Custom Stations in the State, subject to an upper ceiling of Rs. 50 Lakhs per annum. b) It is applicable only for the items manufactured in the State subject to an enterprise shall have to achieve at least 20% value addition within the State
11	Subsidy for participation in fares and exhibitions (Thrust Sector only)	a) 50% reimbursement of the expenditure incurred for travelling expenses of one person and transportation of goods to participate in State & National level fares subject to an upper ceiling of Rs.1.00 Lakhs for each participation & maximum participation of 2 fares in a year. b) For participation in International Level fares prior approval of the appropriate authority is to be obtained.
12	State Transport Subsidy	a) 50% reimbursement of transportation cost of secondary raw materials for local resource based industry and raw materials required for manufacturing of packaging materials in the packaging industries in the State. b) Transport Subsidy shall be provided for transportation of raw materials from the nearest railway station of seller to the nearest railway station of the buyer



		as per the Railway Standard Parcel Rate.
13	Operational Subsidy to industrial units	New eligible industrial unit availed fixed capital investment subsidy during the scheme period from any subsidy scheme of State/ Central Government will be provided all operational subsidy under this scheme.
14	Additional subsidy/ incentive to ZED Certified industrial Enterprises	r) MSMEs having Registration under Udyam Portal of MSME and obtained ZED Certification from the Ministry of MSME will be provided one time;r.dditional subsidy. b) Industrial enterprises with investment in to Rs.1.00 Cr t4 Plant and Machinery up Page 28 of 29 will be provided Rs.2.00 Lakhs per enterprise. c) Industrial enterprises with investment in Plant and Machinery from Rs.1.00 Cr to 10 Cr. will be provided Rs.5.00 Lakhs per enterprise.d) Industrial enterprises with investment in Plant and Machinery above Rs.1.00 Cr.will be provided Rs.10.00 Lakhs per enterprise.
15	Special Incentives to industrial enterprises continue to operate for 5 year	(i) Industrial Promotion Subsidy will be provided @ 25% of Goods and Services Tax (net of input tax) actually paid after 5 years of operation for further period of 5 years subject to the condition that the aggregate payment of subsidy to any industrial enterprise from the date of commencement shall no exceed 150% of investment in plant & machinery. (ii) Power charges will be provided to industrial units



		<p>having connected load above 20HP @ Rs.5.00 per unit without any upper ceiling. (iii) 25 %partial reimbursement of power charges will be provided to industrial units having connected load up to 20HP with a ceiling of Rs.15.00 Lakhs &amp; Rs.25 Lakhs for non-thrust &amp; thrust sector enterprises per year respectively. (iv)Employment Cost Subsidy:50% reimbursement of employer contribution towards payment of EPF and ESI after 5 years of operation.</p>
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