

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 3234.
TO BE ANSWERED ON FRIDAY, THE 28TH MARCH, 2025.**

**LOAN AGREEMENT WITH ADB TO ENHANCE LOGISTICS AND
MANUFACTURING SECTORS**

3234. SHRI KUNWAR RATANJEET PRATAP NARAYAN SINGH:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) the significance of the \$350 million loan agreement with Asian Development Bank (ADB) for enhancing India's logistics and manufacturing sectors;
- (b) the manner in which Strengthening Multi-Modal and Integrated Logistics Ecosystem (SMILE) program aims to improve supply chain resilience through this funding;
- (c) expected outcomes of the policy-based loan regarding job creation and competitiveness;
- (d) whether there are measures within SMILE program to promote gender inclusion and sustainability in logistics; and
- (e) the manner in which this collaboration with ADB aligns with broader economic development goals for a self-reliant India?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a): The ADB funded Strengthening Multimodal and Integrated Logistics Ecosystem (SMILE) Program has the objectives of improving India's logistics infrastructure, reducing logistics costs, and increasing efficiency. It supports the implementation of the National Logistics Policy and PM Gati Shakti National Master Plan by strengthening multimodal logistics, standardizing warehousing, and promoting digitalization in trade logistics.
- (b): The SMILE program aims to establish and operationalize a comprehensive policy framework to enhance logistics efficiency through (i) strengthening the institutional bases for multimodal logistics infrastructure development at the National, State, and City levels; (ii) standardizing warehousing and other logistics assets to strengthen supply chains and incentivize greater private sector investment; (iii) improving efficiencies in external trade logistics; and (iv) adopting smart systems for efficient and low-emission logistics. These would improve resilience of supply chains, especially for India's manufacturing sector.

- (c):** The SMILE Program is designed to study and identify policy, infrastructure, and digital interventions in various processes which are helpful in improving India's competitiveness in Logistics Performance Index and resultantly increased job opportunities.
- (d):** The SMILE program includes dedicated measures for gender inclusion. The program also aims to develop a mechanism for gender audit of land ports as part of the "gender inclusion in trade" mandate of the National Trade Facilitation Action Plan (2020-23), and assess operational integrated check posts in the country and ensure they satisfy minimum requirements of gender responsiveness.
- (e):** The SMILE Program aligns with the Atmanirbhar Bharat (Self-Reliant India) initiative by strengthening domestic manufacturing, improving logistics efficiency, and enabling better integration into global trade network. This would enhance the competitiveness of Indian industries, reduce dependencies on inefficient logistics, and support the vision of making India a global manufacturing and supply chain hub. By fostering private investment and digital transformation, the program contributes to long-term economic resilience and growth.
