

LIFTING & SPECIALIZED TRANSPORT

What's Driving the LOGISTICS Industry

International



Container
Industry of India
Challenges & Opportunities

Grade-A
Warehouses
On Growth Trajectory

National
Logistics Policy
One Year Later

Industry response to NLP after one year of its implementation



Vivek Juneja, Founder & Managing Director, Varuna Group

Implementation of the National Logistics Policy (NLP) has been a significant milestone for the logistics industry of India. It has played a pivotal role in enhancing connectivity, reducing transit times, and fostering a more conducive business environment. It has

encouraged investment in logistics infrastructure and technology, making the industry more competitive on a global scale. While there is still work to be done, NLP has undoubtedly set the stage for further growth and efficiency in the logistics sector. At Varuna Group, which operates in the 3PL sector, we have witnessed several positive developments, including improved infrastructure, streamlined processes, and reduced operational bottlenecks over the past one year. NLP has undeniably contributed to elevating our operational efficiency in the warehousing and logistics sector and

we look forward to continued advancements in the coming years.

The effects of NLP on the organisation's supply chain operations and overall business strategy include the following:

- **Optimised Trade Corridors:** NLP's focus on optimised trade corridors enhances supply chain management.
- **Reduced Transit Times:** NLP leads to decreased transit times, improving efficiency.
- **Lower Operational Costs:** Streamlined regulations under NLP reduce operational expenses.
- **Enhanced Competitiveness:** NLP bolsters our competitive edge in the industry.
- **Infrastructure Development:** The policy's emphasis on infrastructure aligns with our commitment to excellence.
- **Digitalisation:** NLP's digitalisation efforts streamline processes and improve service delivery.
- **Sustainability:** NLP's sustainability focus aligns with our environmental responsibility, benefiting clients and minimising our footprint.



Krishan Kumar Agarwal, Chairman & Managing Director, CJ DARCL Logistics

The Indian government has ushered in a new era with the launch of the National Logistics Policy, which has brought about a transformative shift in our logistics industry. NLP has brought a paradigm shift in the logistics industry with a focus on technology. While a survey-based

logistics cost calculation framework is being developed that aims to reduce logistics costs to a single digit, India has also successfully integrated 33 logistics related digital systems across departments, ministries, and registered 590 industry players on ULIP. This has helped the industry in overcoming several logistical issues and promoted the sector's efficiency. The Service Improvement Group (SIG) and E-LoGs platforms have also established a strong mechanism which are maximizing the functionality of trade in the country.

Through the development of EXIM logistics group, Logistics Data Bank, Sectoral Plans for Efficient Logistics (SPEL) and NLP Marine, the government has addressed the infrastructural gaps, streamlining which will help the industry players in accelerating the work efficiency.

With the vision to establish 'Golden India', the country has made significant advancements across digital integration, service

improvements, skill development, logistics cost reduction, EXIM logistics, etc. We have witnessed a drastic improvement Logistics Performance Index (LPI), 2023 ranking 38th in the Logistics Performance Index (LPI). With this progression, the current focus has re-strengthened India's pursuit of ranking in the top 25 countries in the World Logistics Performance Index.



Nikhil Agarwal, President, CJ DARCL Logistics

We believe that NLP has boosted the economy and the logistics industry and has the potential to reshape and reinforce the logistics industry. CJ DARCL Logistics, we have implemented multimodal transportation with greater ease and capitalised on the success of infrastructural development across the

country. We have diversified our operations across road, rail, air and coastal, enabling us to make quicker deliveries while providing cost-effective solutions to our customers, ensuring efficiency across the supply chain. We have also piloted electric vehicles (EVs) for short-haul deliveries aligning with the government's vision of becoming carbon neutral. With the increasing need for digitalisation, adoption of new-age technologies has further strengthened our operations with greater focus towards building in-house software and applications such as TMS, WMS, ERP-SAP, etc.



Subeer Oberoi, General Manager - North & East, Yusen Logistics

NLP has provided a framework for creating a sustainable and successful logistics business, aimed at lowering the cost of logistics from 14% to less than 10%. Though many schemes were already launched even before the formal launch of NLP, all these have

picked up momentum during the past one year and the efforts have been synchronized between various departments; this not only ensures better coordination but also helps to achieve more with minimal cost and effort.

While Bharat Net Project is providing access to broadband internet connectivity up to Gram Panchayat levels, digital integration is being driven by programs such as Open Network for Digital Commerce (ONDC), Government e- Marketplace (GeM), Single Window Interface for Facilitating Trade (SWIFT), Digital Signature Certificate (DSC) etc., which collectively are also a step in the direction of providing a Unified Logistics Interface Platform (ULIP) – a key objective of the Policy. Technology is being used in the most innovative way to speed up the traditional way of working, bring transparency and go paperless to the extent possible.

Multiple infrastructure development projects are also working in tandem such as Dedicated Freight Corridor (DFC), Industrial Corridor Projects (DMIC, CBIC, AKIC, HNIC, HWIC, HBIC, BMIC, VCIC & OEC), MMLP development under Bharatmala and Sagarmala initiatives.

In a nutshell, the National Logistics Policy has helped to bring all the government agencies on one platform to provide Ease of Logistics (ELOG) and thus give a progressive direction to the overall development of the sector.



Sushil Rathi, Director Allcargo Supply Chain

While the Logistics industry in India has made significant improvement in processes and productivity, it is still plagued with low asset utilization and poor adoption of technology. While the Policy aims to enhance overall logistics efficiency, we believe that the two most important aspects for our business will

be multimodal transport network for seamless connectivity and development of digital logistics platforms to improve efficiency, transparency and traceability in operations.



Mahesh Fogla, Executive Director, Patel Integrated Logistics

India's remarkable climb in the World Bank's Logistics Performance Index, moving from 44th place in 2018 to an impressive 38th out of 139 countries in 2023, underscores the NLP's effectiveness. The NLP's objectives, including its aspiration to rank among the

world's top 25 nations, are driving transformative measures. These encompass integrating Cargo Management with ULIP, formulating Air Freight Station guidelines, standardizing airport processes, and optimizing vehicle tracking through VLTS.

Studies for efficient goods movement and storage facility utilization are also underway. The NLP's holistic approach aims to enhance synergy across transport modes, reduce logistics costs, and bolster our global competitiveness. Much like UPI revolutionized banking, ULIP, under the NLP, is poised to redefine the logistics industry's landscape.

NLP, with its integration of logistics operations across rail, sea, road, and air, akin to the transformative UPI in banking, promises to revolutionize our sector. At Patel Integrated Logistics Limited, we're actively embracing NLP's technology-driven seamless integration across logistics modes. While still in the implementation phase, NLP holds the promise of faster goods movement and reduced logistics costs, which bodes well for our operations in this growing economy and cargo consolidation market.



Varun Gada, Director, LP Logiscience, a Liladhar Pasoo company

India's National Logistics Policy has significantly aided in enhancing and streamlining the logistics industry, particularly in the realm of third-party logistics (3PL), transportation infrastructure, warehousing, and technology adoption.

The policy has facilitated the growth of 3PL service providers through simplified regulations. Also, improved connectivity through transport infrastructure development has helped 3PL companies foster seamless supply chains, reduce transit time and costs, and become more competitive in the international market.

Another notable aspect is the policy's focus on attracting foreign direct investment (FDI) to develop Grade A warehousing facilities. This initiative has encouraged global players to invest in state-of-the-art storage solutions, aligning India with international standards.

While challenges persist, including the need for continued infrastructure development and further streamlining of regulatory processes, the NLP has laid the groundwork for a thriving 3PL sector, advanced transport infrastructure, and world-class warehousing solutions, positioning India as a formidable player in the global logistics arena.