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MATERIALS MANAGEMENT REVIEW



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New NEC 2023-2025



**New National Executive Committee and
Mr Lalit Raj Meena, National President took over the leadership of IIMM
for 2023-25 during Annual General meeting at Mumbai on 23/12/23**



Mr. L.R.Meena, National President is being Felicitated by Chandigarh Branch during their 38 Annual Day Celebration.

From the Desk of National President



Dear Readers,

Wishing you and your families a joyful, healthy, and prosperous New Year 2024.

I express my gratitude to the IIMM community for electing me as the National President for the term 2023-25, entrusting me with the responsibility of guiding the educational and professional endeavors of the esteemed Indian Institute of Materials Management to new heights.

With the recent transition of the National Executive Committee on December 23, 2023, in Mumbai, I, along with my team, assure you of a more inclusive, innovative, and sustainable approach. Our focus is on elevating the visibility and brand of IIMM, and we value your continued support in achieving these goals.

As we step into the New Year, let's collectively pledge to shape a renewed IIMM that epitomizes knowledge and professionalism.

Once again, heartfelt thanks for your decision to elect me and my team as National Office Bearers for the term 2023-25.

Best regards,

A handwritten signature in black ink, appearing to read 'Lalit Raj Meena', with a vertical line drawn through the signature.

LALIT RAJ MEENA
NATIONAL PRESIDENT
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FOOD SUPPLY CHAINS IN THE INFORMAL SECTOR – AN OVERVIEW

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1. Introduction:

The Informal food sector is playing an important role in the national economy of India. An informal economy is the part of any economy i.e. neither taxed nor monitored by any form of government. Although, the informal sector makes up a significant portion of the economy in developing countries, it is sometime stigmatized and unmanageable.

The food supply chain in the informal sector refers to the network of activities and processes involved in producing, processing, distributing and selling food outside the formal and regulated market systems. In most of Asian countries, the informal food supply chain has dualistic structure with majority of the market share being traditional and small quantum being modern. As such, informal food supply chains complemented the formal food industry, its networks and was an unofficial part of food supply security with “tolerable” health risks.

Informal food supply chains existed since humans moved from being hunter-gathers to farming, grazing animals and producing food. Excess from daily harvests from market gardens are traded or sold to neighbours and the general community even today, since the produce or products are freshly harvested and affordable.

Informal food sector is characterized by Small Scale Venders, Local Markets/ Traditional Market and street food, small food hotel, tea stall and unregistered or non-compliant enterprises. It plays an important socio economic role in meeting food and nutritional requirements of consumers at less prices to the lower and middle income people. Homemade and street foods are described as wide range of ready to eat foods, usually sold by venders and hawkers in the streets. Women are more often active in informal employment than men. The informal sector is playing the vital role in country of the diverse culinary preferences of the population.

The Law of food safety and quality leaves out the conditions and mechanism on managing and ensuring safety, quality, sanitation and literacy of food in all steps of food processing to take the health and safety of consumers as well as guarantee fair trade in food industries.

2.0 Main sectors of informal supply chains:

The main sectors of food supply chain are sources, intermediaries and Retail. The sources include production (farming) and wildcatch. Intermediaries include farm produce collector, wholesaler, Retailer and market vendor. Whereas Retail includes wet market, supermarket and convenience stores.

Risk management of food quality and safety issues are required to be addressed at every stage of these sectors to achieve overall objectives and success. Easing bank loans, use of agriculture technology, online business and directly buying from farmers may improve food safety and quality in informal sector.

3.0 Market chains types:

3.1 Wet and Dry market chains:

Fresh produce sales locations were later referred to as “Wet” markets as ice used to cool products which wet the floors as well.

“Dry” section of the market sold sauces, and “dry” produce eg. Garlic, onions, potatoes, etc which do not require ice to be used.

3.2 Modern market chains:

The modern market chain relies on the formal flow of information and guarantees stable supply through contract farming. The main difference between the traditional and modern chain is highlighted by high quality products that are supplied to modern retail channels such as supermarkets and exports. Food safety and traceability, quality assurance and freshness are the primary attributes that set these products apart to attract higher income consumer. To achieve these attributes, the

modern chains took a more coordinated approach to procurement, utilizing contract farming or other organizational structures to manage production and to transfer technologies and knowledge. Agribusinesses as modern suppliers link smallholder farmers to modern supermarkets by setting up a network of farmers and investing in local pre-processing and packaging operations.

4.0 Challenges in informal food supply chain:

(i) Lack of standardization:

The absence of standardized practices in the informal sector poses a risk to food safety and quality and to conduct food safety practice.

(ii) Limited regulatory oversight:

The regulatory oversight is limited in the informal sector, making it challenging to enforce and ensuring adherence to safety standards.

(iii) Infrastructure issues:

Inadequate infrastructure, including storage and transportation facilities, hampers the maintenance of food quality throughout the supply chain. Professional know-how on handling, transporting and managing.

4.1 Common Challenges and recommendations in food supply chains:

Main challenges and recommendations in a typical food supply chain are summarized in the table given below:

Key areas	Challenges	Recommendations
Production	Packaging, sorting, old equipments, lack of mechanization, lack of raw material & knowledge, funding, availability of raw material	Standardization of products, setting of new markets, role of regulatory oversight agencies, training & capacity building to farmers – technical assistance,
Warehousing	Storage, infrastructure, material handling equipments, temperature control, lack of trained manpower temperature control.	Equip warehouse with required technologies, effective inhouse logistics mechanism, cold storage facility, tracking system, modern assembly lines,
Logistics	Lack of transportation, information flow, planning, road network, training & awareness program	Remove multilayered-middlemen from the entire supply chain, ensure accessible and affordable logistics system including transportation and warehousing facility in the entire supply chain, clustering & cooperatives by group of small farmers.

4.2 Challenges to Improve “Food Safety” & “Quality” of Food Supply:

- Making the transition from traditional chain towards a modern chain very difficult because improved production management means a higher level of attention and care from highly skilled farmers and workers is needed.
- The production of vegetables in the traditional chain remains significantly cheaper than in the modern one because quality monitoring and assurance by the modern chain add to the cost of production and distribution, while the use of chemicals by smallholders in the traditional chain can reduce labour intensity and costs.
- On top of this, consumers do not perceive the benefits of higher quality and safer products and still prefer inspecting the products themselves.

5.0 Importance of Education and Training in informal food supply chains:

i) Food safety and Quality: Training and education can raise awareness about the importance of maintaining high standards of food safety and quality in the informal food supply sector.

ii) Compliance with regulations: Many informal food businesses may not be fully aware or compliant with existing regulations. Structuring awareness helps them understand and adhere to relevant food safety and hygiene standards.

iii) Entrepreneurial Development: Education and training can empower individuals with the skill and knowledge needed to run their businesses more efficiently.

iv) Market access and expansion: Awareness program can facilitate better market access for

informal food suppliers by helping them understand market demands, consumer preferences and supply chain dynamics.

v) Community health and Nutrition: Structured awareness programs can highlight the nutritional value of different food products, promoting healthier eating habits within communities.

vi) Technology Adoption: Awareness program can introduce and promote the use of technology that can help in improving efficiency, traceability and communication within supply chain.

vii) Sustainability Practices: Training initiatives can promote sustainable agricultural and food production practices, helping to minimize the environmental impact of the informal food supply sector.

viii) Social Equity and Inclusion: Education and training can contribute to social equity by providing opportunities for marginalized groups, such as women and minority communities, to participate more actively in the informal food supply sector.

ix) Consumer empowerment: Targeted consumer awareness programs empower individuals to make choices aligned with their values, such as supporting local businesses, promoting sustainable practices and making informed decisions about their food consumption.

x) Community Engagement: Training and awareness program can encourage local communities to support & patronize businesses by contributing to community development.

xi) Business Development: Education and training can equip individuals in the informal food supply sector with essential business skills, such as marketing, financial management and customer service.

6.0 Recommended Actions to Improve Food Safety and Quality:

- i. **Promoting Awareness:** Implement awareness campaigns to educate both vendors and consumers about the importance of food safety and quality.
- ii. **Capacity Building:** Provide training and capacity-building programs for vendors to enhance their understanding of best practices in food handling and storage. Train producers

in agricultural practices and in technical and health standards.

iii. **Regulatory Strengthening:** Collaborate with relevant stakeholders to strengthen regulatory frameworks, ensuring better oversight and enforcement in the informal food sector.

iv. **Infrastructure Development:** Invest in the development of infrastructure, including storage and transportation facilities.

v. **Providing appropriate area to the sale of food:** Maintain food safety and public hygiene safeguard environment to prevent contamination of food.

vi. **Enhance Food Quality:** Promote the availability of wide range of fresh and healthy products, Develop urban and Peri-urban food production with the direct investment of community "Charia: of products/response to specific nutrition seeds.

vii. **Traceability:** Developing a traceability process for the production of fruits and vegetables.

viii **Policy initiatives:** Making policies to support the production of organic farms such a free advice and free licensing of GAP and organic farm standards.

7.0 Way forward:

Informal networks in food supply and retail, low-cost transportation / distribution, processing and agricultural production provide a base source of nutritious food. Often large population in Asia who depend on food sourced from smallholder growers providing affordable food and rural income.

As such, stabilizing yields, building capacity while managing crops, together with improved logistics / transport infrastructure, promoting productivity and sustainability are vital to local producers / farmers especially the indigenous and rural people in Asia.

There is an urgent need to set up knowledge-based governance and inter-connectivity to ensure resilient and affordable, socio-culturally inclusive access to food supply.

Incentives, training, education, media attention and the use of available handheld technologies should be included in the strategic goal achievements for overall success of the informal food supply sector.

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INTEGRATED LOGISTICS MANAGEMENT AND DIGITIZATION FOR SUSTAINABILITY

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Abstract : The main purpose of this article is to discuss the need for integration of logistics management activities, embracing the emerging technologies and achievement of sustainable logistics. The needs for integration of logistics operations are highlighted. The digitization in logistics and its six characteristics such as cooperation, connectivity, adaptiveness, integration, autonomous control and cognitive improvement are highlighted. Development of sustainable logistics ecosystem has also been portrayed. The various emerging technology tools that are used for achieving competitiveness are also mentioned. The sustainable dimensions such as economic, environmental and social are mentioned. The relevance of technological, organizational and environmental (TOE) framework for sustainable logistics 4.0 is also highlighted.

Keywords: Digitization, Integrated logistics management, sustainability

Introduction : The global logistics market of around 10.32 billion USD is expected to grow to 12.68 billion by 2023 (Research and Markets, 2018). However, the advent of covid 19 pandemic has disrupted the entire supply chain inducing inefficiencies in logistics function. Traditionally, logistics means movement goods (transportation). In integrated logistics all other functions like warehousing, inventory management, distribution, customs clearance etc are included.

Integrated logistics is a business management model that is increasingly used to accelerate product delivery and improve customer service. In this model, all departments, processes and resources are aligned to work in perfect sync and operate as one cohesive unit. This results in seamless operations and ensures that customer orders are dispatched quickly.

Logistics is the process of planning, implementing and controlling the efficient and effective flow and storage of raw materials, semi-finished and finished products and related information from the point of origin to the point of consumption in order to meet the needs of customers (The Council of Logistics).

Logistics management includes the transportation, warehousing, distribution, inventory management and channel partners management. Clearing and Forwarding (C&F), Customs clearance and documentation are also comes under the scope of

logistics management.

The Chartered Institute of Logistics & Transport UK (2019) defines them as: Getting the Right product, in the Right quantity, in the Right condition, at the Right place, at the Right time, to the Right customer and at the Right price.

Integrated Logistics Management : Integrated logistics is a unique business management process that governs the flow of materials, information and goods from the point of origin to the point of arrival, in which all management activities are interconnected and interdependent. Figure 1 depicts the integrated logistics model.



Figure 1: Integrated Logistics Management

Having integrated logistics implies efficiently managing relationships with all the actors involved in the supply chain: transportation, storage, inventory control and traceability. In this sense, Maersk offers integral solutions for the technology and electronics industry. It understands the challenges and needs of each sector of the industry, delivering tailored solutions that provide visibility, consistency and constant optimization in product movement, with immediate information and documentation management throughout the entire chain.

Digitization in Logistics Management : Digitization or digitalization means basically capturing an analog signal and converting it into digital form for the purpose of generating representation that can be stored or processed.

The digitization in logistics is based on six characteristics: cooperation, connectivity, adaptiveness, integration, autonomous control and cognitive

improvement. The full implementation of wide range of digital technologies such as mobile, sensor, cloud, augmented reality, 3 dimensional printing, data analytics, IoT and others. These things enables: integrated planning and execution systems, logistics visibility, autonomous logistics, smart procurement & contracts, warehousing, spare parts management and advanced analytics. The digital logistics designed with these six characteristics. Digitization is expected to create more value for society than economy.

Logistics digitalization is using digital technologies to transform logistics operations from traditional, manual, and paper-based processes to modern, automated, and data-driven approaches. Figure 2 depicts a sustainable digital logistics ecosystem impacts from the perspective of economic, social and environmental dimensions of sustainability.

Table 1 depicts the sustainable dimensions.

Sl. No	Dimensions	Descriptions
1	Economic	Affordable system that operates efficiently offers collaborative solutions and a mix of transport mode choices and supports the local economy.
2	Environmental	Reduced green house gas emissions, pollution and waste, minimized consumption of non-renewable energy sources and uses technologies that reduce and recycle its components.
3	Social	Basic access needs of individuals/ communities to be met safely and support good lifestyles and with equity within and between generations.

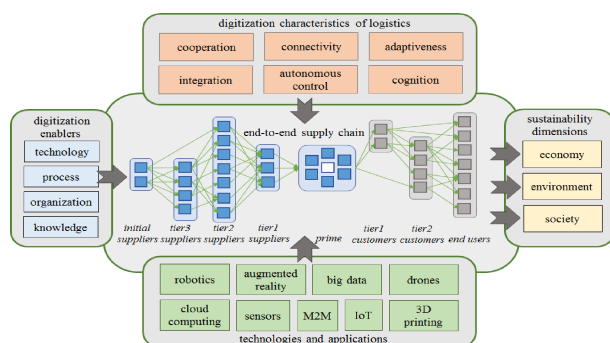


Figure 2: Sustainable digital logistics ecosystem (Yasanur Kayikci, 2018)

In the modern business landscape, digitalization is pivotal for competitiveness. As we enter the era of Industry 4.0, digital adoption is becoming the driving force behind the reshaping of the business landscape. As digital adoption gains momentum, the business

landscape in India is set to evolve, offering numerous opportunities and solutions for those ready to embrace the digital revolution.

Sustainable logistics 4.0 : Sustainable logistics 4.0 is the deployment of digitization initiatives to accelerate the development of a connected, traceable and resilient logistics system that can meet individualized customer requirements by adopting environmentally friendly practices. Digitization helps in the visualization of the logistics activities as well as enables linkages to simulation and optimization tools for effective decision making. Such an environment enhances the employee skills and innovativeness through training programs, reduces transportation emissions through optimum utilization and finally gives rise to enhanced performance of the business leading to the achievement of sustainable dimensions. The logistics expenditure is about 14 percent of the GDP of emerging economies like India.

The key factors affecting the adoption of sustainable logistics 4.0 are technology, organizational and environmental (TOE) (ShreyanshuParhi, 2022). The concept of sustainable logistics 4.0 is based on the logistics businesses, technological transformations for achieving economic, social and environmental advantages, making the TOE framework suited. The use of various emerging technologies like AR, IoT, big data, autonomous vehicles and robotics will enhance intelligence and responsiveness, reduce emissions and improve transportation planning, hence transforming the entire supply chain ecosystem. Sustainable logistics includes procurement, transportation of goods, and warehousing, outbound delivery of goods, distribution and inventory management.

Conclusion : The main function of logistics was predominantly to transport goods / products both in inbound logistics and outbound logistics. The companies have realized the importance of integration logistics operations and implementation of emerging technologies such as AR& VR, IoT, sensors, big data, autonomous vehicles and robotics will enhance intelligence and responsiveness, reduce emissions and improve transportation planning. GPS, RFID, bar coding system, GIS, ML etc also used for changing the logistics landscape. Companies like Maersk, Siemens etc have already offering solutions in this space. MSMEs are yet to embrace these tools fully. Infrastructure development, public digital investments and providing the right ecosystem will certainly improve the economic growth of the country.

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GOVERNMENTE MARKETPLACE: A GAME CHANGER

1. Public procurement involves the purchase of goods and services by governments with an aim to not only carry out day-to-day tasks but also create social and economic infrastructure. The sector bears the responsibility of utilizing taxpayers' money efficiently. If used well, public procurement could have a multiplier effect at national, local and hyper-local levels. In India, public procurement accounts for roughly 20-22% of the GDP. Therefore, efficient public procurement is an important aspect of achieving accelerated growth and development in the country.
2. Previously, public procurement in India had been characterized by inefficient, opaque, and time-consuming manual processes conducted offline, complicated by a fragmented and complex policy landscape. Buyer organizations were limited by the lack of competitive prices, unreliable quality of products/services and the burden of manual process flows. Suppliers/service providers faced issues like cumbersome vendor registration processes, non-transparent verification, and procurement processes, in addition to long and protracted payment cycles. The Government of India set up the Government e Marketplace (GeM) in 2016 as an e-marketplace to revolutionize public procurement in India.
3. In the last 6.5 years, GeM has transformed the public procurement space in India through its technology and strategic interventions. It has made significant strides towards the pursuit of its three fundamental pillars, i.e., inclusion, transparency and efficiency in public procurement, since its launch. GeM is an example of how digital platforms created with the intent to reimagine legacy processes can bring about lasting change for the nation as well as the underserved. In order to realize the immense advantages of demand aggregation and ease of procurement through an open and transparent procurement platform, all Central Ministries, Central Public Sector Enterprises, State Government and Union Territories are procuring goods and services through GeM. Triggering the largest transformation exercise in India — through technology, digitization of processes, digital integration of all stakeholders and use of analytics, GeM has revolutionized the ecosystem of public procurement in the country for buyers and sellers alike. GeM has been effectively contributing to the

government's commitment of "Minimum Government, Maximum Governance".

4. In FY2022-23 alone, GeM achieved a Gross Merchandise Value (GMV) of more than INR 2 lakh crore. The portal has more than 11,500 product categories with over 3 million listed products. We also have over 275 service categories offering more than 2.8 lakh services. The portal is also home to more than 67,500 buyer organizations and over 6 million sellers and service providers. The total number of orders is close to 1.5 crore, with a cumulative GMV of more than 4 lakh crore since inception.
5. GeM's transparent practices, such as competitive bidding, have helped government departments and public sector undertakings save about INR 40,000 crore of taxpayers' money. Such initiatives have helped the government substantially raise welfare expenditures without compromising fiscal health.

Growth Journey of GeM



1. The GeM platform enables multiple procurement modes (direct purchase, L1 Procurement, Bidding, Reverse Auction, Forward Auction, Single packet bidding, Push Button Procurement, etc). GeM has evolved as a trust-based platform and is contactless, paperless and cashless, where authentication of users is done through API integration with respective domain databases, i.e., Aadhaar, PAN, Start Up, GSTN, MCA21, etc. The marketplace includes policies for automated market adjustments as well as end-to-end digital processes that support a thriving buyer-seller ecosystem. GeM has ushered in automation and digitization of processes enabled by technology and analytics, leading to higher process efficiencies, better information sharing, improved transparency, reduced process cycle time and a higher level of trust among bidders, which in turn have resulted in greater competition and higher savings. These

innovations in GeM have also brought down waiting times and prices for buyers significantly and have ensured timely payments to sellers.

- Given the sheer scale and complexities involved in realigning the procurement processes of the entire spectrum of Central and State Government departments, this has likely been one of the largest change management exercises undertaken by any agency globally. Another key aspect of this has been the comprehensive onboarding of all buyers and sellers on to the GeM platform. The platform's focus on inclusiveness meant that it was especially critical to accommodate marginalized communities or groups who have limited digital access and capacities. This has required a thoughtful outreach and training strategy while developing both business processes and software functionalities that make it user-friendly.
- Buyer organizations benefit from a diverse and rich range of products and services at competitive prices with assured quality, along with a range of statistical tools to assess price reasonability. All relevant information that is required for decision making by buyers and for participation by sellers is coherently digitized, easily accessible and seamlessly consumable in the most secure forms for e-procurement. The strategic use of innovative functionalities and processes has brought down waiting times and prices for buyers significantly and has ensured timely payments to sellers, greater competition and higher savings. Consider a new functionality implemented by GeM that promotes greater discipline and timeliness in payment to vendors through the automatic generation of receipts and the levying of penal interest on delayed payments. This gives digital form to a policy imperative and is a radical deviation from business as usual and underlines the platform's commitment to overhauling the government procurement ecosystem.

Consistent Growth in Buyer and Seller Ecosystem



- GeM's focus on inclusiveness is multifaceted, involving not only making the platform usable and trusted by every type of seller but catering particularly to the unique contexts and limitations of marginalized seller segments like small and medium enterprises, women entrepreneurs, startups, and artisans. GeM has achieved this through a thoughtful strategy focused on many

aspects, in alignment with the government's Make in India initiative and policy to promote local MSMEs. We are providing these MSMEs with easy market access, which is especially important given that the majority of Indian MSMEs lack a digital footprint and only a small percentage of MSMEs sell or promote their business online. This is why GeM is spearheading the onboarding of MSMEs registered with the Ministry of MSMEs as sellers on GeM. The GeM platform has also seamlessly given effect to the Make in India [PPP-MII] and the Public Procurement Policy/Preference for MSE [PPP-MSE] of the government. Further, a range of features and functionalities have been added to the platform to ensure that MSMEs are able to participate in public procurement and do business with the government—for example, enabling filters for buyers to reserve procurement from MSEs. An advanced bid search module has been introduced to enable sellers to look for additional opportunities, diversify their businesses and grow with GeM, which in turn will result in wider seller participation and better price discovery for buyers due to the increased participation of sellers.



Promoting Innovation and Social Inclusion

- Social inclusion is a core value at Government e Marketplace [GeM] and is focused on increasing the participation from under-served sellers such as MSEs, women and tribal entrepreneurs, Divyangjan [persons with disabilities], Startups, self-help groups, artisan and weavers, and HunarHaat Craftsmen who face challenges in accessing public procurement markets.
 - Vocal for Local - Creation of 210 ODOP product categories for listing unique products from each district in the country.
 - GeM is collaborating with Self-employed Women's Association [SEWA] to train, assist and enable 21 lakh+ women-led micro and small enterprises, women entrepreneurs and self-help groups [SHGs]. They are made familiar with processes related to seller registration and onboarding on the platform, product and service catalogue upload/ updates, acceptance of orders, participation in bids floated by Govt buyers, fulfilment of orders and invoice generation to receive payments directly into their bank accounts.

- c. GeM is working with 5.2 lakh+ CSC e-Governance Services India Ltd. [CSC- SPV], and 1.5 lakh+ India Post offices, for the advocacy, outreach, mobilization and capacity-building of last-mile Govt buyers, sellers and service providers in public procurement.
 - d. 40 lakh+ MSEs have seamlessly registered on GeM through this API-integration and are now in various stages of their seller journey in public procurement.
 - e. 8.5 lakh+MSEs are registered on the GeM portal and have received orders worth more than 2 lakh crore, contributing to more than 50% of GeM's cumulative GMV since inception.
 - f. Further, 1.38 lakh+ women MSEs are registered on GeM, and they have fulfilled 6.29 lakh+ orders worth INR 12,692 crore
 - g. 41,238 SC/ST entrepreneurs have fulfilled approx. 1.14 lakh+ orders worth INR 2,039 crores.
 - h. The platform offers Startups all the marketplace functionalities that are available to regular sellers and the objective is to spur "Make in India" procurement from India Startups. More than 13,000 Startups have registered on GeM and have processed orders worth more than 14,000 crore in Gross Merchandise Value.
2. GeM has revamped the bidding process to make it more transparent and to curb unfair or unjust rejections during technical evaluation. GeM now enables buyers to seek clarifications from sellers, allowing bidders to raise queries and challenge rejections within a specified time window. Another functionality that our users are finding useful is the item-wise, consignee-wise bidding functionality—which allows for the sellers' offer rates to be captured along multiple dimensions. For example, a buyer may like to know what a seller's offer would be for a specific consignee location for an item instead of for all locations. It helps the buyer in procuring flexibly as per his requirements because some sellers may be more competitive in some consignee locations. A range of carefully considered and strategic measures were implemented to promote marketplace sanity on GeM platform with respect to price, catalogue, specifications which is a basic requirement of any e-commerce portal.
 3. A range of features enable openness and transparency. All relevant information that is required for decision making by buyers and for participation by sellers is coherently digitized, easily accessible and seamlessly consumable in the most secure forms for e-procurement. GeM's focus on inclusiveness is multifaceted, involving not only making the platform usable and trusted by every type of seller but also conducting active outreach to onboard marginalized and underserved seller segments including small and medium enterprises, women entrepreneurs, startups, and artisans,

which is going to define India's growth story. Through continuous engagement with its diverse and numerous stakeholders, the platform has been led by an approach focused on easing the journey of both buyers and suppliers on the platform.

4. Furthermore, one of the key advantages of moving to a digital platform has been the robust audit trails and the wealth of data—both operational and transactional—that is created on the platform. The approach is to leverage this data and emerging technologies like AI and ML to empower the platform's stakeholders to make data-driven and informed decisions and optimize their procurement transactions.
5. Advanced technologies such as AI are proving to be ground-breaking in terms of their impact on key business outcomes including top-line impact, customer satisfaction, and bottom-line impact. Keeping with this trend, GeM is envisioning the use of AI across a wide range of business processes and functionalities. Some of the key areas where GeM plans to leverage AI are, but are not limited to: (1) Fraud, anomaly detection and market sanity; (2) Procurement planning, forecasting and monitoring; (3) Intelligent virtual assistant to aid buyer/seller journeys; (4) Catalogue management including automatic tagging and text description; (5) Customer service automation including helpdesk/call-center.
6. As we look ahead at the future of public procurement in India, a key focus for GeM is going to be the enhancement of the quality of the platform and the transactions therein, in parallel with building and sustaining the trust of buyers and sellers. Our plan to drive this involves four separate enablers: one, setting specific and objective metrics for quality aspects for both buyers and sellers and publishing periodic results for the same; two, developing an internal control framework to address procurement-related deviant behavior; three, improving the portal's efficacy; and finally, creating a more streamlined education and sensitization program on GeM and quality public procurement practices in general. As a digital platform, we will continue to enhance our use of data and related technologies like AI/ML, blockchain, etc., along with focused teams driving initiatives and programs around risk and fraud control. We are confident that our technology-led approach, under lined by our commitment to the principles of transparency, efficiency and inclusiveness, will slowly and surely usher in the highest standards of quality in public procurement in India while also providing the buyers and sellers a fair, competitive and feature-rich platform for engaging in procurement activities.

Source: GeM

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HOW THE NATIONAL LOGISTICS POLICY 2023 IS IMPACTING THE INDIAN LOGISTICS SECTOR?

The logistics sector plays a pivotal role in a country's economic growth, and India is no exception. With the **National Logistics Policy (2023)**, India is not only striving to streamline operations but also emphasizing technology-driven solutions. It will enhance the economy by improving connectivity and facilitating seamless movement of goods in both domestic and international markets.

In this blog, let's uncover the remarkable changes taking place in the Indian logistics sector! With a special emphasis on the government's drive to embrace technology for sustainable growth.

By 2047, **EY** projects that India's GDP will reach a staggering \$25 trillion- with a growth rate of 5%. Simultaneously, the logistics market will expand significantly, estimated to be worth around **\$1.5 to \$2 trillion**. Along with an impressive compound annual growth rate (CAGR) of 7.5% to 8%. This growth might outpace the GDP expansion, with the logistics market expanding 1.5 times the size of the GDP. While the industry has a significant potential to grow, it is riddled with certain structural challenges.

For example — Poor Asset Utilization and Low adoption of Technology. But, a proper execution of the policy will establish India as a pioneering force in the digital logistics ecosystem.

Before proceeding, let me tell you that **The Code Work's** extensive research on the New Logistics Policy has provided some insights into... **Tech Trends in the Logistics Industry for 2023** — you may have a quick look over there. In addition to it, we are also working extensively to **provide digital solutions to the logistics industry** in order to automate their operations and focus on cost saving too.

This is also in line with the approach of the New Logistics Policy to digitalize the logics industry here. If you need to know more on this, kindly **reach out to us at The Code Work**.

Okay, so moving on...

The National Logistics Policy (2023): An Overview

The Prime Minister of India made a momentous declaration on **September 17, 2022**, unveiling the

New Logistics policy. Similar to how UPI transformed India's payment industry, this policy is anticipated to bring about a groundbreaking transformation as well.

Here is an overview of the key objectives and features of the new logistics policy in India:

Policy Objectives

- **Enhance logistics efficiency:** The policy aims to improve the efficiency of logistics operations by **reducing costs, streamlining processes, and minimizing delays**.
- **Boost multimodal transportation:** Promoting the **integration of various modes of transport, including road, rail, air, and waterways**, to create a seamless network.

To bolster the policy's effectiveness, it will be supported by the **PM's Gatishakti National Master Plan**. It aims to enhance the necessary infrastructure and digital systems crucial for the sector's expansion.

Let me walk you through that bit here.

Key Features

- **Digitalization and Technology Adoption:** Encourages the use of digital platforms, automation, and technology-driven solutions to improve efficiency, transparency, and traceability in logistics operations. And this is exactly what we have been pioneering since a long time. **You can reach out to us at TheCodeWork for a free consultation call.**
- **Public-Private Partnerships (PPPs):** Collaboration between the government and private sector entities to leverage their strengths and resources for the development of logistics infrastructures.

The implementation of the NLP involves close coordination among various government agencies, industry stakeholders, and logistics service providers. And the government is actively working on engaging stakeholders and creating a platform for the effective execution of the policy.

So, it is advisable to consult a **logistics tech company** and embrace the power of technology for

your business.

How Technology will drive the Indian Logistics?

Over a considerable period, the logistics sector in India has been burdened by a lack of data-driven decision-making tools. And unreliable shipment Estimated Time of Arrivals (ETAs). To combat this issue, the implementation of advanced technologies such as,

- Artificial Intelligence (AI).
- Machine Learning.
- Advanced Analytics.

All of it holds immense potential! The new policy is specifically designed to leverage these intelligent technologies with the aid of specialized software. It is aiming to overcome these challenges and enhance the efficiency of the logistics sector.

Government Promoting Technology in the National Logistics Policy (2023):

Now, let's have a look at how the **government is promoting technology** for the execution of the NLP in India:

Digital Transformation with Unified Logistics Interface Platform (ULIP)

ULIP was selected as one of the seven initiatives within the **"Technology Commons"** program. It aims to utilize technology in priority areas by creating exceptional products and services of global standards. The adoption of ULIP will integrate various stakeholders within the logistics ecosystem, streamlining operations, improving efficiency, and enhancing customer experience.

Please take a deeper look into the impact of ULIP in driving digital transformation within the logistics industry:

- **Seamless Collaboration and Connectivity:** Enables real-time information sharing, leading to enhanced visibility and transparency across the entire supply chain.
- **Automation and Process Optimization:** ULIP automates manual processes, reducing paperwork, eliminating redundancies, and enhancing operational efficiency.
- It streamlines key functions such as:
 - Order Management,
 - Tracking and Tracing
 - Documentation and Invoicing
 - Customs Clearance
- **Enhanced Customer Experience:** Allows customers to track their shipments, access

shipment documents, and interact with logistics service providers through a single interface. This transparency results in a superior customer experience that strengthens business relationships.

- **Data Analytics and Insights:** It generates a vast amount of data throughout the logistics operations. By leveraging advanced analytics and reporting capabilities, stakeholders can gain valuable insights into their supply chain performance to identify bottlenecks. Also, it will help you to optimize routes, and make data-driven decisions. These insights help in continuous process improvement and cost optimization.
- **Scalability and Integration:** Designed to accommodate the growing needs of the logistics industry. It supports scalability and integration with existing Enterprise resource Planning (ERP) systems, Warehouse Management Systems (WMS). And Transportation Management Systems (TMS).

Seeking these transformative strategies? Get in touch with our **TechTeam at TheCodeWork** and discover how our solutions can empower you to address potential areas of improvement in your logistics business.

Embracing Green Tech Strategies in the National Logistics Policy (2023)

With the introduction of the NLP, there is a strong emphasis on embracing green technology to transform the industry into — an eco-friendly and sustainable powerhouse.

Here are some of the significance of embracing green technology in the context of the new logistics policy of India:

- **Reduced Carbon Footprint:** Green technology in logistics focuses on reducing carbon emissions and minimizing the sector's environmental impact. It encourages the adoption of alternative energy sources, such as solar power and biofuels, for transportation and warehouse operations. By embracing green technology, the logistics sector can significantly contribute to India's efforts to combat climate change! And achieve its carbon reduction goals.
- **Electric Vehicles (EVs) and Hybrid Technology:** One of the key aspects of green technology in logistics is the adoption of electric vehicles (EVs) and hybrid technology. The NLP promotes the use of EVs for last-mile delivery and intracity transportation. By transitioning from

conventional fossil fuel-based vehicles to EVs and hybrids, logistics companies can reduce air & noise pollution. On the other hand, it will reduce the dependence on non-renewable energy sources.

- **Efficient Route Planning and Optimization:** Leverages advanced Data Analytics, Artificial Intelligence (AI), and Machine Learning (ML) algorithms to optimize route planning. By using intelligent algorithms to determine the most efficient routes, logistics companies can minimize fuel consumption and reduce emissions. This not only benefits the environment but also leads to cost savings and improved customer service.
- **Renewable Energy Integration:** By harnessing solar power and wind energy, logistics companies can power their warehouses, distribution centers, and transportation hubs. As a result, it will reduce reliance on non-renewable energy sources. This will not only help in reducing the carbon footprint but also ensures a more sustainable and resilient logistics network.

What TheCodeWork has to offer?

With a focus on elevating operational efficiency, streamlining processes, and boosting overall performance, **TheCodeWork** offers a range of innovative and comprehensive technical solutions specifically tailored for logistic companies.

These solutions are designed to enhance operational efficiency, optimize processes, and improve overall performance.

1. Shipping Logistics Management Software Development

- Access shipment reports.
- Automate billing processes for shipments.
- Optimize management of multiple warehouse shipment records.

2. Fleet Management Software Development

- Transparency and control over your vehicles' whereabouts.
- Fuel usage.
- Optimized maintenance schedules.

3. Telematics Software Development

- Enhance the management and efficiency of your vehicles in traffic.
- And optimize the flow of traffic based on the existing transport infrastructure.

4. Asset Tracking Software Development

- Enhance the management and efficiency of your vehicles in traffic.

- And optimize the flow of traffic based on the existing transport infrastructure.
- Warehouse management.
- Integrated workplace management.
- Smart inventory management, and numerous other functionalities.

5. Transportation Management Software Development

- User engagement.
- Facilitating real-time data interaction.
- Providing custom reporting capabilities.
- Supporting business intelligence bots.

6. Logistics and Freight Management Development

- Freight and logistics analysis.
- Freight pay and audit services.
- Development of web-based logistics management software.
- Reporting and forecasting capabilities.

7. Order Management Software

- Order Management.
- Warehouse Management.
- Product setup.
- Dynamic pricing.
- Enables global order promising.
- Work order & Quoting Management System.
- Delivery Challan & Invoicing.

8. Warehouse Management

- Strategically plan and optimize warehouse operations.
- Leverage the benefits of AI for improved efficiency and effectiveness.
- Inventory Management.

Bottom Line

As India's logistics sector continues to evolve, it is important for companies to seize the opportunities presented by the NLP. This will help them leverage technology to drive a positive change. With a strong focus on embracing green technology, the policy paves the way for a more environmentally conscious logistics industry.

So, we have seen that through the adoption of innovative solutions like Unified Logistics Interface Platform (ULIP), logistics companies can:

The future of the Indian logistics sector is bright, and the impact of the new logistics policy, combined with the innovative solutions offered by **TheCodeWork**, will shape a thriving industry for years to come.

Source: **TheCodeWork**

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INDIA MARKS ONE YEAR OF LAUNCH OF NATIONAL LOGISTICS POLICY ON 17TH SEPTEMBER 2023

RAPID PROGRESS MADE IN IMPROVING LOGISTICS

To complement PM GatiShakti National Master Plan (NMP), the National Logistics Policy (NLP) was launched on 17th September 2022 by the Prime Minister, Shri Narendra Modi. While the PM GatiShakti NMP addresses integrated development of the **fixed infrastructure and network planning**, the NLP addresses the **soft infrastructure and logistics sector** development aspect, inter alia, including process reforms, improvement in logistics services, digitization, human resource development and skilling.

Vision : The **vision** of NLP is to drive **economic growth and business competitiveness** of the country through an integrated, seamless, efficient, reliable, green, sustainable and cost-effective logistics network by leveraging best in class technology, processes and skilled manpower. This will reduce logistics cost and improve performance.

Targets : The **targets of the NLP** are to: (i) Reduce cost of logistics in India; (ii) improve the Logistics Performance Index ranking – endeavor is to be among top 25 countries by 2030, and (iii) create data driven decision support mechanism for an efficient logistics ecosystem.

Comprehensive Logistics Action Plan (CLAP) : To achieve these targets, a **Comprehensive Logistics Action Plan (CLAP)** as part of the NLP was launched covering eight action areas including (i) Integrated Digital Logistics Systems; (ii) Standardization of Physical Assets and Benchmarking of Service Quality Standards; (iii) Logistics Human Resource Development and Capacity Building; (iv) State engagement; (v) EXIM Logistics; (vi) Services Improvement Framework; (vii) Sectoral Plans for Efficient Logistics (SPEL); and (viii) Facilitation of Development of Logistics Parks.

Outreach Events/meetings: Since the launch of the NLP, **significant progress** has been made with respect to the implementation of the Policy. By means of **regional conferences, one-on-one interactions, and inter-Ministerial meetings**, DPIIT has facilitated the **implementation of NLP**. An overview of these outreach activities is given below.

1. Inter-Ministerial meeting on 28th July 2023

- On completion of **ten months** of the launch of the **National Logistics Policy (NLP)**, an **inter-Ministerial meeting** to review the progress of its implementation was held by DPIIT, on 28th July 2023. During the meeting **measures** taken by different Ministries to **improve logistics efficiency** in the country were showcased.
- The meeting saw participation from **eleven infrastructure and user Ministries** including M/o Road Transport & Highways (MoRTH), M/o Port Shipping and Waterways (MoPSW), M/o Coal, D/o Food & Public Distribution, M/o Civil Aviation (MOCA), M/o Steel, D/o Commerce, D/o Fertilizer, D/o Revenue, M/o Skill Development and Entrepreneurship (MSDE) and M/o Power and, National Industrial Corridor Development Corporation Limited (NICDC).
- The meeting was **Chaired** by Special Secretary (Logistics). Secretary DPIIT had joined during the closing session. The meeting was divided into **two sessions**. **Session, I** focussed on review of measures undertaken by DPIIT and **Session II** covered progress in implementation of the NLP by participating Ministries.

2. Regional Workshops (between 20th March and 12th April 2023)

- DPIIT** organised **five regional workshops** between 20th March and 12th April 2023. All workshops had a dedicated session on NLP, wherein key features and progress of NLP was showcased and participating States/UTs presented the status and key highlights of respective State Logistics Policy and other interventions.
- Over **500 participants** covering Officials from all 36 States/UTs and concerned line Ministries/Department, and representatives from knowledge partners and multilateral organisations, attended these workshops.

3. Other one-on-one Interactions / Meetings:

- **Meetings on Logistics Performance Index (LPI):** In an endeavor to further improve India's ranking in the LPI, DPIIT has undertaken several measures. To apprise the World Bank team about the several initiatives and reforms of the Government of India and draw their attention on need for greater emphasis on objective based methodology for LPI scoring, Secretary, DPIIT met senior officials of World Bank Group at their headquarter in Washington DC.
- o In continuation with that DPIIT held a series of **meetings** with the **World Bank Group** [Logistics and Infrastructure India team] and concerned line Ministries.
- o A **dedicated Unit** is being set up within the Logistics Division to develop and implement an **action plan** for improving India's LPI ranking.
- o In addition, concerned line Ministries are setting up a **dedicated cell** for a focused project-based approach to improving India's performance across the six LPI parameters.
- **Services Improvement Group (SIG) meetings:** In line with approved institutional mechanism for the NLP, an Inter-Ministerial SIG was constituted on **14th March 2023**. **Chaired** by SS (Logistics), this group comprises of **representatives** from MoRTH, MoR, MoPSW, MNRE, MoP, DoT, MoPNG, MoCA, NITI Aayog, MoEFCC, MoHUA, DoR and DoC.
- o **Objective:** The SIG has been constituted to facilitate **speedy resolution** of logistics services and processes related issues of the industry, in a coordinated manner. Resolution of issues through SIG shall promote inter-operability; eliminate fragmentation in documentation, formats, processes, liability regimes and reduce gaps in regulatory architecture.
- o **E-LoGs portal** (digital system for registering logistics related issues by logistics sector associations): As on date **29 logistics sector associations** are registered on the E-LoGs portal, with total **71 issues**, of which 34 issues have been **resolved**.
- o Regular **roundtables with industry players** and **SIG meetings** are held. Till date, **six meetings** of SIG, along with industry associations have been held.
- **Unified Logistics Interface Platform (ULIP):** For **digital integration** in logistics sector and to provide single sign to users who are trading goods and using multiple modes of transport – the Unified Logistics Interface Platform (**ULIP**) was launched along with the NLP.
- § ULIP is an **indigenous data-based platform** which integrates 34 logistics-related digital systems /portals across Ministries / Departments. It is worth noting that GST data is also being integrated with ULIP.
- § ULIP provides opportunities to private sector to develop use cases on ULIP. By signing Non-Disclosure Agreements (NDAs) and after due diligence, data on ULIP can be accessed through API integration and private players can develop apps/use cases.
- § Over **614 industry players** have registered on ULIP.
- § 106 private companies have signed NDAs
- § 142 companies have submitted **382 use cases** to be hosted on ULIP.
- § 57 applications have been made live.
- **EXIM Logistics:** To promote trade facilitation and **streamline EXIM logistics**, following measures have been undertaken:
 - § Infrastructure gaps are being addressed and digital initiatives undertaken (under **National Committee on Trade Facilitation**);
 - § **An EXIM Logistics Group** has been constituted;
 - § **A Comprehensive port connectivity plan** developed by M/o port shipping and waterways, to address last and first mile infra gaps and promote seamless movement of goods to ports. 60 projects of MORTH and 47 of Railways have been sanctioned to improve **last mile connectivity to ports**.
 - § To **improve port productivity** and address issues, **several meetings** have been held with MOPSW, port authorities, etc.; **Port Processes studies** have been conducted at 3 Major Ports (Chennai, JNPT and Vishakhapatnam); **Visit to ports** are being undertaken by DPIIT.
 - § The **Logistics Data Bank (LDB)** is an application that tracks and traces of EXIM cargo. **greater predictability, transparency and reliability, logistics cost will come down and wastages in supply chain will reduce.**

Progress on Implementation of NLP & CLAP

Since the launch of the NLP, progress made in implementation of the CLAP is summarised below:

§ Using LDB data, **new analysis** of port-wise vessel turnaround time is being prepared. **Congestion** between port and nearest check post is provided in the form of Port to CFS/ICD (For import cycle); CFS/ICD to Port (For export cycle); Port to nearest toll plaza. Using these analytics, port authorities are taking measure to improve performance.

• **Human Resource Development**

• To promote professionals in the sector, Government is **notifying qualification packs** for different job roles in the sector.

• A **Webinar with Capacity Building Commission, Central Training Institutes (CTIs) and State Administrative Training Institutes (ATIs)** was held in July 2023.

• To further give traction to training and capacity building in Logistics and Infrastructure Development, **Syllabus and training modules** is being developed.

• **Sectoral Plan for Efficient Logistics (SPEL)**

• To address sector-specific needs in the logistics sector and streamline movement of bulk and break-bulk cargo in the country, **Sectoral Plans for Efficient Logistics (SPEL)** are being developed by user Ministries. These include **sector specific action plans** /interventions necessary for seamless movement of goods across different origin-destination pairs.

• So far, **Comprehensive Port Connectivity Plan (CPCP)** to bridge last mile gaps to ports, has been developed by M/o Port, Shipping and Waterways. The CPCP consisting of 107 Port connectivity projects (47 of MoR and 60 of MoRTH) has been notified.

• A Coal Logistics Plan for efficient coal evacuation has been developed by M/o Coal.

• M/o Steel is also developing its sectoral plan.

• **State Engagement**

• **State Logistics Policy:** To bring **holistic focus on 'logistics'** in public policy at State level, States/ UTs are developing State Logistics Plans (SLPs) aligned with NLP. So far, **22 States** have notified their respective State Logistics policies.

• **Logistics Ease Across Different States (LEADS):** An indigenous logistics performance index on lines of the World Bank's LPI, called '**Logistics Ease Across Different States (LEADS)**'

index for logistics performance monitoring across states has been developed. The survey is conducted annually and States are ranked according to their performance. The main objective is to identify areas of improvement and support State Governments to undertake adequate infrastructure, services and regulatory reforms to improve their logistics performance. **The LEADS 2023 report** will be unveiled soon.

• **Logistics Cost Framework**

• Logistics Division, DPIIT, has initiated an endeavour to estimate Logistics cost, since **no official estimates** available and they vary from 8-14% of GDP.

• In the past studies in private sector (Armstrong & Armstrong and NCAER):

§ Armstrong & Armstrong - 13% of GDP;

§ NCAER, 2018 - 8.10% of GDP.

• Hence a **need was felt for developing accurate estimates** based on holistic data and relevant statistical models.

STEPS TAKEN:

• In March 2023, Government organized a **workshop** with international experts to brainstorm on best practices.

• **Task Force** with members including Senior Officials from concerned line Ministries and experts from academia, industry and think tanks, **notified** in March 2023.

• **Several meetings** of Task Force held.

• Using secondary data available in public domain **baseline estimates for logistics cost** achieved (using MOSPI's Supply Use Tables). A long-term survey-based **framework for logistics cost calculation** developed.

• Despite data limitations (data available in public domain is mainly aggregated estimates of transportation cost). This estimate will be used as a baseline for carrying out comprehensive trend analysis in future. This long-term survey-based study will help in arriving at robust logistics cost estimates at a disaggregated level so that targeted interventions across sectors / modes can be undertaken.

Source: PIB



INNOVATIVE GREEN PRACTICES TO TRANSFORM WAREHOUSES

RAMNATH SUBRAMANIAM, CEO, TVS ILP

Sustainable warehouses prioritise energy-efficient design, incorporating technologies such as solar panels, LED lighting, optimised HVAC systems, and advanced monitoring systems

According to the International Energy Agency, the industrial sector, including logistics and warehousing, contributes a significant 15 per cent of India's total CO2 emissions. Shutterstock

In a world at the crossroads of environmental challenges and industrial growth, the imperative to transform logistics and warehousing practices has never been more pronounced. The World Bank's report highlights a sobering reality - logistics costs in India are among the highest globally, accounting for nearly 14 per cent of the country's GDP, significantly surpassing the global average of around 8 per cent. This stark disparity underscores the urgent need for transformative change within the logistics and warehousing sector.

However, as India's population soars and its economy experiences rapid growth, an inevitable consequence emerges—escalating emissions. This upward trajectory has positioned India as the world's third-largest emitter of greenhouse gases (GHGs), standing shoulder-to-shoulder with global giants like China and the US. In the year 2021 alone, India contributed a staggering 3.9 billion metric tonnes of carbon dioxide equivalent (GtCO₂e) to the planet's collective GHG emissions—a formidable 7 per cent of the global total, according to a report by Statista.

At the heart of green logistics lies the integral role of warehousing. As an essential link in the supply chain, warehouses play a pivotal role in orchestrating the movement of goods, optimising inventory management, and minimising wastage. The shift towards sustainable logistics begins within the walls of these facilities, where innovative practices are transforming traditional warehousing into environmentally conscious hubs of operation.

Understanding the Need for Sustainability : With the ever-increasing demand for goods and services, the warehousing industry plays a crucial role in the supply chain ecosystem. Yet, this rapid expansion has not come without its environmental repercussions. According to the International Energy Agency, the industrial sector, including logistics and warehousing, contributes a significant 15 per cent of India's total CO2 emissions. As urbanisation and consumption patterns evolve, the

urgency to adopt sustainable practices becomes all the more apparent.

As the demand for warehouses across India is projected to grow at a CAGR of 15.64 per cent and a market size of \$35 billion by 2027, the industry faces a dual challenge. On one hand, it must accommodate the pressing need for efficient storage and distribution facilities, while on the other; it must mitigate the carbon footprint arising from this expansion.

The Pillars of Sustainable Warehousing : Sustainable warehousing is a multifaceted approach that is meticulously crafted to minimise environmental impact. This approach has various integrated eco-friendly practices that helps in shaping up the core of logistics operations. It has various factors like energy-efficient design, resource management, waste reduction and emissions control, which contributes in sustainable warehousing.

Energy Efficiency: Sustainable warehouses prioritise energy-efficient design, incorporating technologies such as solar panels, LED lighting, optimised HVAC systems, and advanced monitoring systems to efficiently manage water and energy usage, thereby reducing consumption.

Water Conservation: Rainwater harvesting systems, water recycling facilities, and water-efficient fixtures contribute to reducing water consumption and minimising the strain on local resources. In alignment with government initiatives such as the national water mission, aimed at water conservation, rejuvenation of traditional water bodies, watershed development, and promoting water-use efficiency across sectors including agriculture, industry, and domestic usage, underscoring the commitment of the logistics and warehousing industry towards sustainable water management practices.

Green Infrastructure: Integrating green spaces, rooftop gardens, and vegetation not only enhances aesthetics but also aids in air purification and temperature regulation. The adoption of eco-friendly construction materials plays a pivotal role. Moreover, the industrial buildings must be green building certified that shows their commitments towards sustainability.

Emission Reduction: The adoption of electric vehicles for intra-logistics transportation and the reduction of fossil fuel usage are vital strategies to curtail emissions. Regular audits and assessments, conducted to monitor

and ensure effective emission reduction practices, help in identifying areas for improvement, measuring the progress of emission reduction initiatives, and maintaining compliance with established sustainability goals. These efforts align with global sustainability standards like the Global Reporting Initiative and Carbon Disclosure Project, where companies can assess and report their ESG performance.

Waste Management: Implementing proper waste segregation, recycling programs, and reduced packaging contribute to minimising waste generation. According to NITI Aayog, it is estimated that urban India generates between 1,30,000 to 1,50,000 metric tonne (MT) of municipal solid waste every day. This adds up to roughly 50 million MT per year; at current rates, this will jump to some 125 million MT a year by 2031. In line with these concerns, warehouses must engage in proactive waste management by partnering with waste recycling agencies to effectively manage solid waste, hazardous waste, and e-waste.

Charting a Sustainable Path Forward : The journey toward sustainable warehousing is not without its challenges, yet it presents an opportunity for innovation and growth. The government's commitment

to achieving carbon neutrality by 2070 reflects a resolute dedication to combating climate change. Initiatives like Gati Shakti, Multimodal Logistics Parks, and the National Logistics Policy underscore the alignment of sustainability and growth in India's trajectory. These endeavours aim to streamline transportation, optimise supply chains, and enhance connectivity, laying the foundation for a more sustainable and efficient logistics landscape.

The synergy between sustainable logistics and warehousing holds the promise of a greener, more resilient future. As industries unite under the banner of responsible practices, the transformational power of sustainable logistics can redefine the way goods move across the nation, driving economic growth while nurturing the environment. In this journey, warehouses emerge not just as storage spaces, but as key enablers of a more sustainable tomorrow.

(Ramnath Subramaniam is CEO, TVS ILP.)

Source: planet.outlookindia.com

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COUNTRIES NEED TO WORK TOGETHER FOR OPEN SUPPLY CHAINS: PIYUSH GOYAL

DHIRENDRA KUMAR

Goyal advocated the adoption of the G20's general framework designed to enhance the resilience and inclusiveness of global value chains

The Global South needs to discuss ways for countries to work together to keep supply chains open, secure, trusted, stable and equitable, commerce minister Piyush Goyal said at the second Voice of Global South Summit in the national capital.

Goyal highlighted that recent disruptions in global supply chains due to the COVID-19 pandemic, climate change, and geopolitical unrest have posed "monumental challenges" to food and energy security, cost of living, and the pursuit of sustainable development goals.

He advocated the adoption of the G20's general framework designed to enhance the resilience and inclusiveness of global value chains.

Goyal asserted that this framework, once in place, would bridge the gaps in logistic infrastructures and promote the greater involvement of the Global South in the international trade ecosystem.

The framework would help in achieving sustainable development goals as the phenomenal nine-fold increase in South-South trade from \$600 billion in 1995 to \$5.3 trillion in 2021 had a major impact on economic growth of many countries, he said at the summit.

"Most of the global challenges have not been created by the Global South, but they affect us more," Goyal said quoting Prime Minister Narendra Modi.

During its G20 presidency, India made strong interventions in strengthening the voice of the Global South by making the African Union a permanent member of the grouping, the minister added.

To make global value chains resilient and inclusive, he said, the G20 generic framework for mapping global value chains was adopted during India's presidency.

"We are in the midst of a massive global shift. The future of work will be determined by industry 4.0, energy transition and new age technologies," he added.

Source: [mint](https://www.mint.com)

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ARE THERE ANY AFFORDABLE AI SOLUTIONS FOR E-COMMERCE MSMES AVAILABLE?

ZAIBA SARANG IS THE CO-FOUNDER OF ITHINK LOGISTICS

The emergence of Artificial Intelligence (AI) is redefining what is possible across industries, including e-commerce. AI has become a true game-changer with capabilities like data analytics, automation, and personalisation. AI-driven eCommerce solutions are anticipated to reach a market value of \$16.8 billion by 2030, as businesses increasingly depend on them to streamline costs and allocate resources more efficiently. However, many still believe AI to be an expensive technology that is only accessible to large enterprises. The reality is that affordable AI solutions tailored for Micro, Small and Medium Enterprises (MSMEs) are now readily available, making AI-driven transformation attainable even on a budget.

Understanding the customer journey through analytics Gaining actionable insights into customer preferences is vital for targeted marketing, but traditional in-depth data analytics has been cost-prohibitive for resource-strapped MSMEs. AI analytics tools are disrupting this norm. Cloud-based solutions use automation and machine learning to turn vast data into meaningful conclusions with minimal manual effort. MSMEs can now unlock insights at every customer journey stage, from initial research to post-sales assessments.

Granular details on best-selling products, peak purchasing times, FAQs, and more become accessible. This data empowers MSMEs to adjust product designs, prices, and promotions based on demand forecasts, enhancing conversion and retention. The ability to continually refine analytics-based strategies is indispensable for MSMEs looking to scale their e-commerce business sustainably. Affordable AI tools now make advanced analytics possible even on limited budgets.

Enhancing customer engagement through AI chatbots

Interactivity and quick resolutions are pivotal for engaging today's customers. For MSMEs focused on user experience within e-commerce, deploying AI chatbots has proven to be a smart investment. These bots handle an array of conversational tasks, from addressing pre-sales queries to providing order status updates in real-time.

The true power of AI chatbots lies in their ability to simulate human-like interactions. Armed with natural language processing, users can communicate freely with these bots as they would with a support executive. Continuously learning from accumulated chat data, bots

keep getting smarter and conversations smoother over time. They can recognise questions, decipher their intent, and respond appropriately while escalating complex queries to human agents. Customers hence receive personalised attention amidst rising ticket volumes, crucial for MSMEs to establish themselves as customer-centric brands.

Unlike traditional chat solutions, AI chatbots are designed to cost-effectively scale. Operating 24x7, bots completely eliminate the resource crunch MSMEs face while needing to provide round-the-clock assistance. By intertwining empathy and efficiency, AI chatbots strengthen customer rapport and interest during the shopping experience – serving as dependable brand representatives.

Optimising inventory and forecasting demand Managing inventory poses a significant challenge for MSMEs in e-commerce, given the unpredictable nature of demand. Balancing between overstocking and understocking is crucial to prevent lost sales and returns. AI-powered forecasting and optimization tools prove invaluable for small businesses with limited working capital. These tools analyze historical sales data, search trends, customer demographics, and past demand drivers to recommend optimal stock quantities. The self-learning capabilities of AI continuously refine forecasts in line with emerging consumer trends. Automatic alerts for reorder points help maintain timely restocking. AI inventory optimisation platforms use analytics to develop lean yet flexible stocking strategies, allowing MSMEs to minimize operational risks and maximise profitability while focusing on core strategic matters.

Securing transactions through fraud prevention As MSMEs extend their online presence, they enter unfamiliar terrain, exposing themselves to potential fraudulent activities. In the absence of robust fraud protection protocols, the consequences can range from financial losses to reputational damage. Traditional fraud prevention methods, based on rules, struggle to keep pace with the ever-evolving threats in digital commerce. AI-powered fraud prevention utilises historical fraudulent transaction patterns, natural language assessment, device recognition, and identity verification to effectively identify and thwart fraud.

Continuously learning from emerging security threats, AI systems promptly detect anomalies and block

fraudulent attempts across payment channels in real-time. Tailored AI fraud prevention solutions enable MSMEs to integrate intelligent functionality cost-effectively. Customised filters, aligned with risk appetite and industry-specific fraud patterns, optimize protection without requiring extensive teams or infrastructure dedicated solely to security. With self-learning bots securing transactions, MSMEs can concentrate on business expansion rather than combating fraudulent attacks.

Driving personalisation and loyalty with recommendation engines In the fiercely competitive landscape of e-commerce, satisfying consumer cravings for personalisation and relevance is crucial. For MSMEs seeking to foster loyalty, AI recommendation engines on affordable cloud solutions emerge as vital tools for conversion and retention. These engines utilise predictive modelling, collaborative filtering, and analytical frameworks to tailor product suggestions to individual buyer journeys.

By amalgamating browsing history, past purchases, and data inferences like demographics, a personalised shopper DNA profile is created. These AI-driven recommendations continuously enhance, strategically aiming to boost order values and encourage repeat purchases. Unlike traditional manual methods, AI recommendations effortlessly scale personalisation for MSMEs, allowing small teams to automate tailored

suggestions to thousands of shoppers simultaneously. The result is enduring customer relationships and heightened lifetime value, achieved with minimal additional deployment costs.

The way forward for MSMEs in e-commerce AI is no longer an ambitious innovation exclusive to well-funded enterprises. Practical, affordable, and user-friendly solutions now enable MSMEs to fully tap into AI's potential in e-commerce. As the landscape evolves swiftly, resource-constrained yet ambitious small businesses should embrace AI to streamline operations and delight their customer base. Identifying key pain points and growth opportunities is crucial for a phased AI adoption, starting with quick wins like chatbots and analytics. Cultivating an adaptable culture is essential for widespread AI integration. Modern AI solutions, available as a service, democratize access to intelligent functionality, ensuring budget-conscious MSMEs can harness transformative power and achieve true differentiation in e-commerce. The time for small businesses to scale new heights with AI is now.

The views and opinions expressed in this article are those of the author and do not necessarily reflect the views of Indian Transport & Logistics News.

Source: www.itln.in

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THE GLOBAL FREIGHT RECESSION WILL CONTINUE IN 2024: CNBC SUPPLY CHAIN SURVEY

LORI ANN LAROCCO

KEY POINTS

- Soft pricing in the shipping sector will continue in 2024 and could linger into 2025, according to Alan Baer, CEO of OL USA, as capacity in the logistics sector continues to outstrip weaker demand.
- The trucking sector, already facing extreme financial stress, expects lower freight orders and revenue this holiday season.
- A new CNBC Supply Chain Survey indicates no growth for the first half of 2024, and at best a mildly positive turn in the second half of the year.

The global shipping industry has been mired in a freight recession this year and the challenging economic conditions will continue into 2024, according to a new CNBC Supply Chain Survey. High inventories and a pullback in consumer spending are reasons behind the bearish outlook.

The CNBC Supply Chain Survey was conducted October 21-October 31 among logistics executives who manage freight manufacturing orders and transportation, including those at C.H. Robinson, SEKO Logistics, DHL Global Forwarding Americas, Kuehne + Nagel, OL USA and ITS Logistics. These companies have insight into the orders shippers place into manufacturing companies around the world because they pick up the product from the ports as well as distribute products from warehouses to retailers.

This part of the trade pipe gives investors a three-to-four-month advance insight into retail consumer expectations based on the number of orders placed and the amount of product they have truckers move from the warehouses to the stores. It also provides a read on freight rates and what kind of freight volumes will be moved by truck and by rail — two key revenue drivers for companies in the shipping sector.

Alan Baer, CEO of OL USA, who participated in and reviewed the survey, tells CNBC the results indicate a freight market that will have little to no growth during the first half of 2024, which means stable to downward pricing, and hopes that during the second half of 2024 volume increases.

“Without more freight moving, 2024, and potentially 2025, will continue to see soft pricing as capacity outstrips demand,” he said.

Freight trucking will remain soft

Trucking companies get paid per load, and low expectations for orders imply potentially lower revenue this holiday season. Logistics executives were split on LTL (less-than-truckload) freight rates for the first quarter, with half looking for a 5% bump and the other half expecting rates to be unchanged to down as much as 15%.

The majority believe rates for full truck loads will be unchanged or down, while 33% expect prices to be up marginally at 5%.

“We expect retail peak season for trucking to be sluggish,” said Noah Hoffman, vice president for C.H. Robinson North American Surface Transportation.

The freight recession has been hard for the industry and for those companies that were not diversified enough to withstand downturns, leading companies like Jeff Bezos-backed trucking startup Convoy to shut down. According to Tank Transport, rising fuel costs and falling freight rates caused a total of 31,278 trucking companies to either close or shifted their services to larger fleets.

Uber Freight’s CEO recently told CNBC that there will be a “new tipping point” in the freight industry shakeout with less diversified business models unable to operate on a cost-effective basis.

“No one is projecting confidence about a surge in demand during peak season or into next year,” said Tim Robertson, CEO DHL Global Forwarding Americas. He said the CNBC survey results underscore the overall climate of uncertainty that is defining the market right now. Mixed expectations for rates and volumes, and the fact that orders for product categories such as household goods are dropping for some respondents and increasing for others, “tells me companies are making different bets with their inventory strategies,” Robertson said.

The survey finds that there is a similarly muted outlook for orders surrounding Lunar New Year, which falls on

February 10, with a majority of respondents (67%) not seeing an order increase. As a result of China shutting down the majority of manufacturing operations during the Lunar New Year, shippers start to place their orders now to get their products in before any closures or staffing slowdowns to avoid delays. The products that normally come in during this time are spring and summer items.

A slightly better second half 2024 outlook

The survey shows expectations for a slight turnaround in freight volume in the second half of 2024.

Half of respondents expect a 5% increase; 33% expect a 10% increase; and among the 17% that were the most optimistic, a 15% increase is anticipated.

“With a lot of uncertainty around consumer demand, interest rates and the global economy, most people do not have a positive outlook on freight volumes in the first half of next year, but we could certainly see a rebound in the second half of next year,” said Brian Bourke, global chief commercial officer at SEKO Logistics.

In addition to the quantity of freight moved, logistics companies on the water, road, and air generate revenue based on the rates they can charge.

The majority of respondents believe ocean freight prices for the first and second quarters will be unchanged or down — after a 2023 in which rates cratered by as much as 50%. Looking at air freight, the majority anticipate rates to be unchanged to down anywhere from 10% to 20%. FedEx recently told pilots to look for additional work with American Airlines as cargo demand slows.

The low freight prices coupled with diminished cargo volumes were among the reasons behind global shipping bellwether Maersk’s recent announcement of 10,000 layoffs. “Our industry is facing a new normal with subdued demand, prices back in line with historical levels and inflationary pressure on our cost base,” CEO Vincent Clerc said in a statement last Friday regarding its results and the job cuts, and he added that overcapacity in most regions had driven down prices.

“Unfortunately, we are going to see significant challenges in volumes, and this will continue to cause more providers to exit the market or implement significant layoffs,” said Paul Brashier, vice president of drayage and intermodal at ITS Logistics. “This is not 2008-2009 by any means but it sure feels like it.”

Source: CNBC

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PUBLIC PROCUREMENT UPDATE: SUMMER/AUTUMN 2023

Walker Morris is experienced in dealing with a wide range of public law issues including procurement law. The firm is also regularly instructed to provide advice on an urgent basis on procurement challenges and judicial reviews. In this update, commercial dispute resolution and public procurement specialists Lynsey Oakdene and Kathryn Vickers summarise developments since our last update. We cover:

- Changes to public procurement law
- Public procurement case law developments
 - o Time limits
 - o Adequacy of damages: Impact on third parties
 - o Adequacy of damages: Non-availability of damages award
 - o Adequacy of damages: Expedited trial
 - o Beware tender submission deadlines
 - o In-term contract modifications
 - o Sub-contractor standing
- Procurement Policy Notes
- Updated Administrative Court Guide

Changes to public procurement law : The post-Brexit Procurement Bill, which will transform the UK's public procurement regime, is in the final stages of the legislative process. The House of Lords is currently at the stage of considering the Commons' amendments, with the next sitting date scheduled for 24 October 2023. Consideration of amendments is the final stage before a Bill is passed and becomes law. See this research briefing prepared by the House of Commons Library on the Bill's progress ahead of its third reading in the Commons on 13 June 2023.

The "go-live" date for the new regime is now planned for October 2024 (it was previously late 2023). There will be a minimum 6-month advance notice period and the current legislative framework will continue to apply until "go-live".

The government has already started consulting on the various secondary legislation needed to bring some elements of the Bill and the wider regime into effect. This first part, which closed on 28 July 2023, referred mainly to areas of the Bill which require lists, calculations, or further definitions to be used in practice. The second part, which closed on 25 August 2023, covered the transparency provisions and notices that will be used by contracting authorities to fulfil their legal requirements under the new Act, and also information on transitional arrangements.

The government recently confirmed the launch dates for its various learning and development materials for the new regime:

- 'Knowledge Drops' will launch in November 2023. Aimed at everyone, these are on-demand video resources of approximately 40 minutes providing an overview of all the changes.
- Self-guided e-learning, the core learning and development product, will launch in March 2024. This will give a comprehensive grounding of knowledge and understanding of the new regime, comprising 10 1-hour modules and concluding with a Skilled Practitioner Certification.
- A 3-day virtual course of interactive deep-dive webinars, led by subject matter experts, will launch in May 2024. This will provide a deeper insight across the full spectrum of legislative change.

'Communities of Practice' will also launch in May 2024. They will provide a system of collective critical inquiry and reflection into the regime changes.

To register your interest for our 2024 Procurement Bill webinar programme to keep up to date on developments and learn more about what you need to know before "go-live" sign up [here](#).

We reported in our previous Public Procurement Update that the government was planning to completely overhaul the body of UK domestic law known as retained EU law through the Retained EU Law (Revocation and Reform) Bill, now an Act. In a welcome move, the government substantially rowed back on those plans and the laws that will now be revoked at the end of 2023 are largely defunct and unnecessary, and much fewer in number. The government has said that, together, the recently passed Financial Services and Markets Act and the Procurement Bill/Act will revoke around a further 500 pieces of retained EU law.

Changes to public procurement obligations came into force on 25 May 2023 (26 May 2023 in Wales) as a result of the UK's new free trade agreements with Australia and New Zealand. The Cabinet Office published this Procurement Policy Note setting out the changes and the Welsh Government published this Welsh Procurement Policy Note with respect to devolved Welsh authorities. Note that although the amendments arise from these particular free trade agreements, they apply to all procurements going forward, and not just those involving Australian and New Zealand suppliers.

In other news, the Social Partnership and Public Procurement (Wales) Act was passed: “Public bodies will be required to deliver socially responsible procurement, which means putting environmental, social, economic and cultural well-being at the heart of an £8bn annual procurement spend”.

Public procurement case law developments : The decision in **Boxxe v The Secretary of State for Justice [1]** covers a number of important practice points. The Secretary of State (SoS) was successful in applying for the lifting of the automatic suspension put in place in relation to a competition for a contract to provide digital and AV equipment for use in the courts. Boxxe, the unsuccessful tenderer, challenged the scoring of the pricing for the cost of storage and applied for an expedited trial.

Time limits : The SoS’ submission on the question of whether there was a serious issue to be tried centred on Boxxe’s claim being out of time. Boxxe received the decision notice on 13 December 2022 and issued its claim on 12 January 2023. Under Regulation 92 of the Public Contracts Regulations 2015 (PCR) proceedings must be started within 30 days beginning with the date when the economic operator first knew or ought to have known that grounds for starting the proceedings had arisen.

It came down to the key question of whether the date of receipt of the decision notice is included or excluded from the 30-day calculation. Despite having been presented with “what appears to be a formidable line of authority” by the SoS’ counsel, the judge said it would be inappropriate to give in to the temptation to decide the matter finally in the context of the application for lifting the suspension, and that the matter was not so clear cut as to conclude that there was not a serious issue to be tried. Ultimate determination of the issue should follow fuller argument which would no doubt take place in an upcoming strike out application.

Pending clarification from the court, this serves as a cautionary reminder of the need to act quickly in procurement challenges to avoid being caught out by the short 30-day time period for bringing a claim and the current uncertainty surrounding the calculation.

Time limits also came under scrutiny in **Altiotech v Birmingham City Council [2]**. The defendant authority ended a contract with Altiotech for the provision of cyber security software using a termination for convenience clause. No reasons were given, and a direct award was issued to another provider. Altiotech ultimately brought a claim challenging the award. It alleged breach by the authority of its equal treatment and transparency obligations under Regulation 18 of the PCR, in particular its duties not to structure a procurement such that it would favour or disfavour particular economic operators.

The authority applied to strike out the claim, including on the basis that the claim form was issued more than

30 days after Altiotech had acquired, or should have acquired, the relevant knowledge about the claim, and so it was time-barred. Having reviewed the pre-action correspondence between the parties, the court decided it was only when the authority disclosed the reason why it had ended the contract (an issue with one of its own staff members which resulted in a reset of the authority’s cyber strategy and associated procurement decisions) that Altiotech was able to come to an informed view as to whether it had a claim and it was appropriate to bring the proceedings [3].

The court said the relevant information was obviously highly material; so material, that the authority had decided effectively to stonewall Altiotech’s request for an explanation until it felt that it had to, in an attempt, as it hoped, to forestall proceedings and bring the matter to a close. The information provided as to reasons wasn’t simply further evidence to support the claim. It contained an essential fact that enabled Altiotech to plead its case. Parties need to keep in mind that the courts will pay close attention to the contents of pre-action correspondence when deciding when the claimant had the requisite knowledge to trigger the 30-day time limit.

The authority also argued that the particulars of claim were served out of time. The court confirmed that, for proceedings under the PCR, the combined effect of the relevant Regulation and Civil Procedure Rule was that the particulars must be served within 7 days of issue of the claim form.

In this case, the court granted relief from sanction and extended the time for service of the particulars retrospectively. Among other things, it didn’t consider a delay of 15 days to be sufficiently serious or significant, given that the authority didn’t raise the point until almost 2 months after the correct service date. Significantly, the court noted that what might have enabled the whole action to have started much earlier was if the authority had been open at the outset about the underlying reason for its actions. Its reluctance to explain its position led to a delay of much more than 15 days. The fact that if the relief isn’t granted the claimant would lose the entire claim is a point which a claimant can (and did make here) on the question of proportionality. Not to grant relief from sanctions where the court had upheld that the claim form was served in time would be grossly disproportionate because it would deprive Altiotech of a claim of some substance [4].

Adequacy of damages: Impact on third parties : Turning back to **Boxxe**, one of the grounds Boxxe used to try to persuade the court that damages would not be an adequate remedy was the impact on its key subcontractor. While the court accepted that the impact on the interests of third parties, who do not have a reliable remedy in damages in their own right, is a materially relevant factor that it both can and should take into account in its overall assessment, on the

question of the adequacy of damages it was clear that the sub-contractor's position was irrelevant and should not be taken into account. In addition, the sub-contractor could have started its own claim as a second claimant to the action.

Adequacy of damages: Non-availability of damages award :

The SoS asserted in its defence that the alleged breach was not sufficiently serious to justify a damages award. Boxxe argued that the fact the SoS had chosen to make that assertion gave rise to the risk that, even if Boxxe's allegations of breach were made out, there would be no damages award. The SoS couldn't have it both ways: contending both that damages would be an adequate remedy, and that as a matter of principle damages should not be available. It was pointed out that the risk of failing to resist the lifting of suspension and then receiving no damages award became a reality recently in **Braceurself v NHS England [5]**.

While the judge said it couldn't be right that every time this "sufficiently serious" question was in issue, damages would automatically be rendered inadequate for the purposes of considering whether to lift a suspension, it was recognised that having established breach, causation and loss, the unsuccessful tenderer is still potentially left without an effective remedy.

In this case, the SoS was prepared to give an undertaking not to pursue its assertion on the sufficiently serious point if it was ultimately established that a breach or breaches took place but for which, had they not occurred, the contract would have been awarded to Boxxe rather than the successful tenderer. The judge said this was a sensible way to cut through the issue and found that damages would be an adequate remedy.

Adequacy of damages: Expedited trial : The SoS argued that the existence of a potential trial date shouldn't be taken into account as any part of the assessment of the adequacy of damages, while Boxxe argued that the question of adequacy of damages shouldn't be determinative. The judge was urged to apply a modified American Cynamid test of the type used in judicial review proceedings, where once it's established that there's a serious issue to be tried, the court moves immediately to consider the overall balance of convenience. The judge disagreed. There was nothing on the facts of the case to allow a finding that the conclusion reached on adequacy of damages was not determinative of the success of the application to lift the suspension.

While the court's ability to accommodate an expedited trial may provide a pragmatic solution where matters are finely balanced, that balancing exercise doesn't arise in circumstances where it's clear that damages are an adequate remedy. The judge said it mustn't be forgotten that the decision in **Draeger Safety UK v London Fire Commissioner [6]** was made in the context of a finding that damages were arguably not adequate.

The judge nevertheless went on briefly to consider whether damages would be an adequate remedy for the SoS, and the balance of convenience. Among other things, if the suspension wasn't lifted, with or without an expedited trial, the SoS would sustain losses caused by the ongoing delays which were real and could not be compensated for by damages.

Beware tender submission deadlines : InHealth

Intelligence v NHS England [7] is a stark warning to tenderers to make sure that the contracting authority's submission rules and deadlines are strictly adhered to, and that tender submissions are not left to the last minute. In this case, the claimant was excluded from the procurement because its bid was uploaded to the stipulated e-portal in the wrong place and the mistake wasn't rectified in time, so it missed the deadline. The claimant challenged the decision to exclude it.

The challenge failed. Regulation 18(1) of the PCR sets out the fundamental principles of procurement: "Contracting authorities shall treat economic operators equally and without discrimination and shall act in a transparent and proportionate manner." The judge considered that, however clear the wording of an invitation to tender, a residual discretion will always exist to waive non-compliance with the requirements if it's necessary to do so to ensure equality, transparency, and proportionality of the procedure as a whole, and doing so doesn't offend against those principles. The starting point is that deadlines are to be respected. There may be exceptional circumstances, such as the fault of the contracting authority, which justify the admission of a late tender or missing documents.

In this case, the decision to exclude the claimant was not manifestly flawed or irrational. The claimant had failed to comply with the clearly stated deadline for reasons which were its own fault. The consequences of failing to submit a compliant bid by the deadline were clearly spelt out and understood. Caused by a series of minor human errors and having left the submission process to the last moment, there was nothing exceptional about the claimant's inability to submit the bid in accordance with the requirements, and nothing happened to justify waiving the clear rules. There was a very significant risk, as the defendant concluded having properly investigated the events, that if it decided to waive the rules, that decision would itself constitute a failure to comply with the requirements of equality and transparency.

In-term contract modifications : The decision in **James Waste Management v Essex County Council [8]** provides important clarification of the law dealing with in-term public contract modifications. The court considered whether the defendant authority's modification of a waste handling contract with Veolia was "substantial" and therefore impermissible under Regulation 72 of the PCR. The answer was no.

As an initial point, the court said that the “gateways” in Regulation 72(1)(a)-(f) should be interpreted narrowly because they amount to derogations from the general rule set out in Regulation 72(9) that a new procurement procedure is required for in-term modifications of public contracts or framework agreements. The defendant authority only has to succeed on any one gateway to disapply this general rule. While the gateways are to be interpreted narrowly, the burden is on the claimant to establish on the balance of probabilities that the gateway relied on by the authority doesn’t apply.

In this case, there was no material difference in character in the contract, caused by the modification. Neither was there a basis for concluding that the modification considerably extended the contract’s scope – “considerably” should be interpreted in a common-sense way. The test in Regulation 72(8)(b)(ii) is whether there was a real (as opposed to fanciful) prospect that the other tenderer would now have won. The court also failed to see how the modification was such as to change the economic balance of the contract as a whole in favour of Veolia. Where a different payment mechanism has to be adopted (for example, where the remunerative scheme in the original contract cannot simply be applied to the services or supplies contemplated by the modification) “reasonable compensation” is the appropriate yardstick by which to judge a price increase.

Sub-contractor standing : In *International Game Technology v Gambling Commission* [9] Lord Justice Coulson undertook an in-depth analysis of the proper approach to interpreting UK legislation which transposes EU legislation in order to answer the question of whether only an unsuccessful bidder has standing to pursue a claim for breach of the PCR or if a proposed sub-contractor to an unsuccessful bidder is able to do so. The claimants in the case were sub-contractors to Camelot which had been unsuccessful in its bid to continue with the National Lottery concession but which had withdrawn its own challenge of the procurement exercise when it was purchased by the successful bidder. His conclusion was that subject to one minor exception, only unsuccessful bidders have standing to pursue a procurement claim and therefore sub-contractors are not able to pursue a claim. The exception arises from the EU **Grossmann** case [10] which confirmed that economic operators who have not submitted a bid may still be able to pursue a claim if they had wanted to submit a bid but could not do so as a result of discriminatory specifications in the tender documents. Of course, the short limitation period for procurement claims means that in most cases such claims would be brought before any bids have been submitted at all.

Procurement Policy Notes (PPNs) : In addition to the PPN mentioned above concerning the UK’s new free trade agreements, the Cabinet Office has also published

the following PPNs since our last Public Procurement Update:

- PPN 03/23 updates the Selection Questionnaire and accompanying statutory guidance and replaces PPN 08/16. The revised standard selection questions applied from 1 June 2023.
- PPN 02/23 concerns tackling modern slavery in government supply chains. It’s accompanied by separate guidance and a quick reference guide.
- PPN 06/23 sets out which organisations are in-scope of the Commercial Playbooks and how their principles should be applied.
- PPN 04/23 and various accompanying materials provide updated guidance on procuring steel in government contracts. It replaces PPN 11/16.
- PPN 07/23 sets out details of the recently updated Government Security Classifications Policy. The Policy applies to any information or data that is created, processed, stored or managed as part of a government contract.
- PPN 08/23 on using standard contracts. Three standard contracts have been published for use by government departments and other public sector organisations as part of their commercial activity.
- PPN 09/23 sets out the actions organisations should take to identify and mitigate cyber threats, along with resources to support implementation.

Updated Administrative Court Guide

The court has issued a new Administrative Court Guide which applies to all judicial review cases, including any which relate to the award of public contracts. The content is broadly the same as the previous 2022 version but now includes:

- A new section on anonymity, orders for non-disclosure and open justice confirming the principles which will be applied when considering whether to derogate from the primary position of open justice and providing possible wording to use in such orders. Confidentiality and non-disclosure are often important in procurement cases.
- New commentary on the circumstances in which a defendant or interested party may be entitled to make submissions even where they have not filed Detailed Grounds of Resistance and on the court’s powers to allow evidence where there is a dispute of fact and/or to restrict evidence to avoid unnecessary publicising of irrelevant material.
- A new section on applying to attend a hearing remotely.

Illuminate: A spotlight on GCs

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WTO UPDATE

MEMBERS ADDRESS WTO REFORM AND AGREE TO HOLD THEMATIC SESSIONS ON SUPPLY CHAIN RESILIENCE

At a meeting of the Committee on Market Access on 16-17 October, members took stock of progress made in the discussion on how to improve the functioning of the Committee as part of the work towards WTO reform. Members also agreed to hold the first thematic session on supply chain resilience in November and addressed a high number of trade concerns.

Following the mandate set out in paragraph 3 of the MC12 Outcome Document, which mandated the General Council and its subsidiary bodies to direct the work, review progress and consider decisions to be submitted to the 13th Ministerial Conference (MC13) to be held in Abu Dhabi in February 2024, the Committee on Market Access was one of the first bodies to initiate discussions.

The Chair of the Committee, Renata Cristaldo of Paraguay, briefed members on the progress made over the past few months. As part of the improvements made, she highlighted the Committee's adoption of three elements to enhance the conduct of formal meetings:

- the closing of the agenda 15 days before formal meetings to allow more time for delegates to prepare for the meeting;
- the ordering of trade concerns in the agenda, which separates new trade concerns and places them before previously raised trade concerns;
- and the new default option for statements in the Committee's eAgenda, which makes them automatically available to all other members after the meeting.

The Chair noted that "the more information that is shared in the eAgenda, the more complete the picture of the discussions becomes. This can be very useful for delegates who have to report to their capitals on what happened at the meeting."

With regard to the webpage of the Committee on Market Access, which brings together all the information relating to the Committee's work, the Chair noted that it has been available online since 19 September. This page contains very useful information for delegates, such as the contacts of the Secretariat team, dates of the meetings, the Secretariat's annual presentation to delegates on the functioning of the Committee and instructions on the work of the

Committee, among other resources.

Members acknowledged that the Committee on Market Access was striving to enhance its working procedures and will continue to implement other improvements as identified by members.

Thematic sessions on supply chain resilience : Noting the successful results of the experience sharing sessions on trade in COVID-related products carried out since March 2022 in the Committee, members agreed to continue the practice of organizing thematic sessions based on members' proposals. Delegates supported holding a first introductory session on supply chain resilience with the participation of other international organizations on 21 November 2023.

The objective of this introductory session would be to better understand what is meant by supply chain resilience in order to provide members with a conceptual framework from which they can take up some topics and develop them among themselves within the framework of the Committee.

Members considered that it would be important to have a variety of organizations, and also to include the perspectives of both developed and developing members, including least-developed countries.

With regard to the timing of these additional sessions, it was noted that the coming months will be very busy ahead of MC13 and, in order to ensure active participation of members, it was noted that it would be best to postpone any sharing of experiences by members until after the Ministerial Conference.

Quantitative restrictions : The Chair presented members' document G/MA/QR/13, entitled "Status of notifications submitted under the Decision on the Procedure for Notification of Quantitative Restrictions", in which the Secretariat summarizes the status of notifications of quantitative restrictions as of 29 September 2023.

The document shows that the situation has slightly improved compared to previous years, in particular for the last three biennial periods (2018-2020, 2020-2022, 2022-2024). The Chair noted that although the volume and quality of notifications have been increasing over the past few years, the overall level of compliance with the Decision on the notification of quantitative restrictions remains relatively low.

To date, 78 members have never submitted a notification of their quantitative restrictions. In addition, there are members that have notified measures introduced in response to the COVID-19 pandemic and have indicated that they would submit a full notification with all quantitative restrictions in place at a later date but have not yet done so.

The quantitative restrictions database can be accessed [here](#).

Trade concerns : The Committee addressed 35 trade concerns, of which four were new, covering a wide range of trade policy measures:

- Angola's import restricting practices, raised by the European Union
- Australia's maturation requirements for imported alcohol, raised by Brazil
- Australia's discriminatory market access prohibition on 5G equipment, raised by China
- Canada's discriminatory market access prohibition on 5G equipment, raised by China
- China's trade disruptive and restrictive measures, raised by Australia
- China's draft revision of government procurement law, raised by Japan
- China's draft of recommended national standard (GB/T) for office devices, raised by Japan
- China's export control measure applicable to gallium and germanium, raised by the European Union and Japan
- China, Hong Kong, China and Macao, China restriction on import of aquatic products from Japan following discharge of ALPS-treated water into the sea, raised by Japan
- Dominican Republic's discriminatory taxation on some food imported products, raised by the European Union
- European Union's MRL reduction of certain substances to meet environmental objectives in third countries, raised by Argentina, Australia, Indonesia and Paraguay
- European Union's proposal for a regulation of the European Parliament and the Council on shipments of waste, raised by Indonesia
- European Union's Carbon Border Adjustment Mechanism, raised by China, Indonesia and the Russian Federation
- European Union's deforestation-free commodities, raised by Indonesia and the Russian Federation
- India's quality control order for chemical and petrochemical substances, raised by Indonesia and Thailand
- India's basic customs duty on solar photovoltaic

cells and modules, raised by China

- India's approved list of models and manufacturers of solar photovoltaic modules, raised by China
- India's import policies on tyres, raised by the European Union, Indonesia, Chinese Taipei and Thailand
- India's quantitative restrictions on imports of certain pulses, raised by Australia and Canada
- India's quality control of chemicals and petrochemicals order, raised by Indonesia and Thailand
- India's import restriction on air conditioners, raised by Japan and Thailand
- India's import restrictions on computers, tablets and other electronic products, raised by China
- Indonesia's commodity balance mechanism, raised by the European Union
- Indonesia's customs duties on certain telecommunication products, raised by the United States
- Kingdom of Saudi Arabia, Kingdom of Bahrain, United Arab Emirates, State of Kuwait, Oman and Qatar's selective tax on certain imported products, raised by the European Union, Switzerland and the United States
- Mexico's import quota on glyphosate, raised by the United States
- Nepal's import ban on energy drinks, raised by Thailand
- Peru's tax treatment of pisco, raised by the United Kingdom
- Sri Lanka's import ban on various products, raised by the European Union
- Türkiye's discriminatory additional tariffs on electric vehicles, raised by China
- United States' disruptive and restrictive measures in the name of national security, raised by China
- United States, Japan and Netherlands' agreement on chip export restrictions, raised by China
- United States' series of disruptive policy measures on the global semiconductor industry chain and supply chain, raised by China
- United States' Section 301 tariffs on certain goods from China, raised by China
- United States' quantitative restrictions on imports of sturgeon, raised by the European Union

Next meetings : The Chair informed that the 2024 formal meetings of the Committee are scheduled for 25-26 March and 19-20 November.

Source: WTO Website

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16TH DISHA - ANNUAL SIGNATURE EVENT, MUMBAI

22 - 23 NOVEMBER 2023 AT HOTEL WESTIN, MUMBAI

- REPORT -

Sixteenth edition of Disha - annual signature event of IIMM, Mumbai was held on 22nd & 23rd November 23 at Hotel Westin, Mumbai, with the theme of 'Driving Operational Excellence for unlocking Business Value-Technology Driven, Sustainable, Resilient, Contemporary-Indian Economy \$5 Trillion and Beyond'.

The two-day event had 27 speakers, with a key note address, keynote address on the theme, one fire side chat, a panel discussion and was loaded with several other stimulating features like Quiz competition, opinion poll, exhibition booths.

This episode, which was extremely well received by about 200 participants, was made possible by tireless efforts of Mumbai team for weeks before & during the event, shaped under guidance & motivation provided by Disha 23 Convenor Satish Palekar, Past national president Bala Iyer, and branch chairman Animesh Shah.

Day one started with National anthem 'Jana Gana Mana' followed by lamp lighting at the hands of **Chief Guests Jayant Dhoble, Business Head & CEO of Global Chemicals, Key note speaker Dr Sanjay Chaturvedi, CEO of Apitoria**, Past National presidents Bala Iyer, IIMM Vice president - West KR Nair, Disha 23 Convener Satish Palekar, Mumbai Chairman Animesh Shah, Past IIMM Mumbai chairmen M H Varma, N D Sadri Ganesh Apte, Surendra Deodhar Ashok Mhatre.

Day 1 - 22/11/23

Animesh Shah, Mumbai Branch Chairman made the opening speech and set the context by focussing on Disha 23 theme and urged participants to join IIMM and its courses for self as well as industry advancement.

In his address as a Disha Convenor **Mr Satish Palekar** explained the theme rationale succinctly to outline objective of Disha 23.

Mr Bala Iyer while emphasising on IIMM's mission on knowledge enhancement and elevation of Supply chain profession, shared few global trends to highlight how procurement is critical function.

Chief Guest, Mr Jayant Dhoble gave a distinctive perspective on development & sustainability using a astonishing set of data. His presentation highlighted the huge opportunity that existed to improve quality of life towards real development, simply through better use of energy and our resources.

Dr Sanjay Chakravarty in his engrossing **key note address** used illustrative images & historical facts like first battle of Panipat, declining life span of S & P 500 companies etc. to highlight importance of agility, diversity, & strategy. He also emphasised on developing learning culture with high investment in R&D

Swapn Malpani, EVP & Global supply chain head of Cipla Ltd then shared on challenges to pharma business and how critical is focus on innovations, agility, sustainability.

Ashwani Narang, Vice President & Business Head - Intelligent Spend and Business Network- Indian Subcontinent, SAP was next to rivet participants with his data packed presentation on **Future-proofing your Procurement: Top Priorities for Leaders to Win in 2024**. He shared few examples like 'ease of getting a ball point pen for your company' to highlight agility, flexibility and simplicity of your processes to meet customer needs. His talk also expounded on term 'customer of choice, Supply diversity spend, Hype cycle, Generative AI, and material Genomics.

Satish Palekar, Executive Vice President & Head of L&T Power presented eloquently on **"Navigating the Energy Transition"**. With in short time of 25 mins, he explained on various drivers of green energy transition, its push and pulls and importance of International public private partnership to take it forward expeditiously

Mr. Yugesh Aglawe, Partner, Ernst & Young was next to talk on **Supply Chain Visibility** using illustrations and on-line demo on Generative AI, He showed how it can help in long term or short-term planning, strategic inventory etc.

After Lunch Break **Kran Sirkar, Dy Gen, Manager, Mahindra & Mahindra Ltd** presented on **'practicing circular economy in Mahindra sites**. She presented detailed plan & status of net 0, decarbonizing, circularity, progress towards closed loop system etc. on all 3 scopes (scope 1, 2, 3). Also showed India's first and largest vehicle recycling facility, CERO, jointly put up by Government of India & Mahindra.

Mr Santosh Dalvi, Partner, KPMG then did breezy presentation on Global Trade, explaining various facets of changes in India's regulatory environment, like PLI scheme, FTAs, MOOWR scheme for duty deferment, AEO certification (Authorised economic operator). APA (Advanced pricing Arrangement) etc.

Just before tea break **Mr Karthik Kumar, Sr VP, Ultratech** presented few innovations case studies

Day 1 concluded with panel discussion on the event theme itself. Bala Iyer smoothly steered the deliberation through all main points of the theme, along with Panellists, **Mr B Karthi Kumar of UltraTech, Mr Anubhav Roy Chowdhary, CEO of PI industries, Mr Umesh Malik of Reliance Industries and Mr Bodhi Dahiwal of Aarti**

Industries. Good discussion took place on ESG measures, SDG 30 goals and what and how corporates are contributing to fulfil them

Day 2 — 22/12/23

Dr Mahesh Karandikar, Chief Neurosurgeon & Managing Director of Karandikar Hospitals and Neuroscience Research Centre mesmerised the audience with his sharing on **'Engineering Brain for success & Happiness in Supply Chain'** connected neuroscience brilliantly to Human performance and in turn to supply chain effectiveness.. Using various images of Brain scans his presentation vividly showed effect of positive mind sent, relationships on performance and how multi-tasking is less efficient than doing one thing at a time .

Next masterly presentation by **Amit Varma, Head digital transformation at Reliance industries** on **'Technology driven supply chain - a bench mark case study - Reliance industries'** was full of illustrations and examples from Reliance.

Mr Parthasarathi Chatterjee, EVP & Head offshore of L&T Hydrocarbon elucidated on **'Operation Excellence- critical factors for success factors'** using some out of Box examples like 'Okapi, an animal with Deer like fast legs, Giraffe like long neck for better reach and Zebra patterns on body for better camouflage. for sustainable growth. He shared many best L&T practices like 5 pillars of operational excellence

Satishkumar of Strategic sourcing of Mahindra Group shared case study on **'Mitigating the risk of semiconductor availability in auto industry-current and future'** It was quite detailed presentation on semiconductors supply chain & its complexity of design as well as process involving 700 steps to manufacture single type of wafer over 14 weeks.

Unlike other products, chips capacity cannot be added easily due to very high investment cost and high lead time means very long supply chain. So, some of novel strategies to deal with mitigation are design simplification or product defeaturing.

Just before Lunch **Dr P V Venkatakrishnan of ISRO (ex ISRO)** gave very exciting exposition on **'Project Management - A benchmark case study, Chandrayan-3 Low cost, Reliable and Time bound.** Participants were fully engrossed to understand making of Chandrayan and critical processes and parts development, involved over its project span.

Mr Amit Amin, Managing Partner of Western matcher Consulting delivered a compact presentation on **'Leveraging Digital Logistics and emerging Technologies to benefit from Government's National Logistics Policy'**. Using simulation Mr Amin showed how yard visibility or Logistics execution insights could be obtained.

Transformative supply chain was the next topic impeccably presented by **Ritesh Agarwal, Sr VP -Head Sourcing, Autosector, Mahindra & Mahindra Ltd.** After full overview on Global as well as Mahindra trend on auto production and sales, He elucidated on supply chain challenges and its mitigation plans like AI based de risking, using digitisation as an enabler etc.

Srinivas Mokashi, Past Chairman of CHEMEXCIL delivered Talk on **'Incentive provided to Industry by Indian Govt'**. He presented on Govt vision of increasing size of chemical industry to 1 trillion USD by 2040 from 220 billion today, explaining how PLI scheme for chemical industry would enable it

Finally, it was time for **fire side chat** with **Ramapraveen Subramaniam, CEO of Mahindra Logistics** on **'Driving Supply chain Efficiency and Customer Experience through Logistics'** through ever brilliant **Ravindra Sharma, Director SAP Ariba Advisory, SAP ASIA Pacific & Japan region.** Mr Ravindra Sharma was superb in softly framing apt questions to draw upon Mr Ram Praveen's knowledge & expertise. New logistics policy, its implications, its major influence areas were discussed in details. Ram Praveen highlighted on importance of human capital over IT, Automation, & AI for better customer experience and outcome.

In addition to knowledge sharing through well-chosen topics & speakers which kept participants engaged. Quiz competitions based on the event sessions was conducted on both days to keep event lively. Top 3 scorers were given cash awards.

At the end Lucky draw was conducted and cash awards given to 10 lucky participants

Both days event proceedings were anchored brilliantly by Surendra, in his inimitable & eloquent style.

Finally, there were 2 lucky draws with prizes galore. First Lucky draw was for the participants who could manage to visit exhibition booths, with 10 lucky delegates winning cash prizes. Second lucky draw was open to all registered participants with 3 lucky participants getting cash awards.

The event concluded after formal vote of thanks by chairman Animesh Shah

The two-day seminar was a feast of knowledge for all participants. We all at IIMM Mumbai look forward to its seventeenth edition in next year.

NAVIGATING THE LANDSCAPE OF SUPPLIER CYBER RISK

**AKHILESH AGARWAL, SCB CONTRIBUTOR AND
CHIEF OPERATING OFFICER OF APEXANALYTIX.**

When confronted with a cyberattack, suppliers can quickly turn from friend to foe. As many as half of all supply chain disruptions are caused by cybersecurity incidents among suppliers or a supplier's suppliers, and come with high price tags that impact a company's reputation, operations and bottom line. There's no way to fully prevent cyberattacks, but the risks can be mitigated to a large degree. Business leaders must take proactive steps to secure one of the more vulnerable arms of their operations: the supply chain.

Many companies don't believe they share enough data with their suppliers to truly be at risk should one of them fall victim to a cyberattack. According to a 2022 IBM study with the Ponemon Institute, data breaches originating in supply chain attacks take 235 days to identify and another 68 to contain, costing businesses on average \$4.46 million. Not being proactive can be costly and impact more than a company's net income. Reputation among customers is also at stake. Challenges such as lack of experience, time constraints, difficulties engaging suppliers and perceived costs have deterred businesses from initiating effective cyber risk management strategies. Overcoming these obstacles is crucial for safeguarding the company's overall well-being, its reputation and customer trust.

The Anatomy of Attacks : In a supply chain attack, threat actors look to exploit vulnerabilities in the network, usually targeting a specific company by compromising a trusted supplier or service provider. These attacks manifest in different ways, including exploiting software or hardware vulnerabilities, injecting malware into legitimate files, and employing phishing or social engineering attacks. Cyberattacks rarely come with a warning, and by the time IT departments find anything amiss, it may be too late. Experienced cyber criminals are not looking to be flashy, most often taking the path of least resistance.

The aftermath of these attacks can be devastating, with sensitive information compromised, operations disrupted and malicious software injected. MOVEit, a secure file transfer tool used by government agencies and some of the world's large enterprises alike, discovered a zero-day critical vulnerability in June, 2023 that was subsequently mass exploited by a ransomware group. So far, over 2,500 organizations have been impacted, and that number continues to climb. In February, 2023, major semiconductor firm Applied Materials lost \$250 million due to a business partner being hit by a ransomware attack.

There's also a larger societal risk involved in a supply chain attack. For example, money from ransomware payments is often used to fund criminal activity, including drug and human trafficking.

A Playbook for Risk Management : Building an effective supplier risk management framework is crucial in fortifying businesses against the growing threat of cyberattacks. The three S's — speed, scope, and scale — serve as guiding principles for establishing a strong foundation. Speed involves the efficient measurement, management and monitoring of risk levels without overburdening internal teams. Achieving scale is crucial to ensuring maximum visibility for all suppliers in the monitoring process, regardless of their significance. Scope identifies cybersecurity risk levels from the outset, and maintains vigilance throughout the relationship with ongoing monitoring for potential data breaches and related incidents.

A comprehensive supplier risk management framework involves a structured approach encapsulated in five key steps: risk identification, risk analysis, risk mitigation, continuous monitoring and continuous improvement. Risk identification and continuous monitoring are critical to mitigating potentially disastrous supply chain attacks. The vetting process should be ruthless, evaluating a supplier's security policies, procedures, past incidents and potential vulnerabilities. All risks identified should then be categorized and prioritized, with contingency plans being made for high-priority risks.

But the fight doesn't end there. Businesses must implement real-time surveillance, keeping a vigilant eye on their supplier landscape through cutting-edge monitoring systems and collaborative incident response plans. Providing suppliers with the knowledge they need through engaging cybersecurity education programs can make it clear that compliance is a shared responsibility. By fostering a communication network that rivals a strategic command center, businesses can share threat intelligence and best practices seamlessly.

Businesses must diversify their supply chains to ensure resilience, develop contingency plans that can weather any storm, and subject their suppliers to regular audits. This isn't just risk management; it's a strategic defense plan, ensuring that businesses stand strong against ever-evolving threats in the cyber risk landscape.

The rising tide of supply chain disruptions caused by cybersecurity incidents demands a proactive response from businesses. Ignoring supplier risk management exposes companies to significant financial losses and reputational damage, and can result in extreme harm to society. While cyber threats are inevitable, businesses can minimize their impact by implementing a strong supplier risk management framework.

Source: www.supplychainbrain.com

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PROCUREMENT LEADERS FACE LACK OF TALENT TO MEET FUTURE NEEDS: REPORT

BEN UNGLESBEE SENIOR REPORTER

The profession has growing needs for data and technology as well as general business skills, according to a recent survey by Gartner.

A growing proportion of procurement leaders lack confidence they will have the talent needed to meet future performance requirements of the job, according to a new survey

Dive Brief:

- Amid changing technology and evolving roles, procurement leaders showed a sharp lack of confidence in their future talent pipeline, according to a recent Gartner survey.
- Of procurement leaders surveyed, only 14% expect to have the talent needed to meet the future performance requirements of the procurement function at their organization.
- That contrasted with current needs, where procurement leaders were generally confident that they had adequate talent for the procurement role. Specifically, 46% agreed or strongly agreed with the statement that their procurement talent levels were currently adequate, while only 7% disagreed.

● Dive Insight:

- Gartner pointed to a “bifurcation” between current and future needs — and the talent pools to navigate them — that procurement as a profession will need to address.
- “Procurement leaders are aware that the competencies required to drive transformation are different from traditional procurement skills, and that there are significant gaps between their current and future needs for the most important competencies,” Fareen Mehrzai, a senior director analyst in Gartner’s Supply Chain Practice, said in a company post about the results.
- One divergence is in the growing need for both new and generalized skills. In the survey of 111 procurement leaders, 69% said business acumen had gained importance in the last 12 months. Another 68% said technology and data skills had gained in importance. But only 26% said “traditional procurement competencies” had gained importance in the same period.

- Gartner suggested more planning work needs to be done equipping staff with knowledge that they need. Only 31% believe that their current competency models are relevant to their staff’s work, even though a large majority had dedicated strategies at their organizations targeting “the most critical competencies.”
- Other surveys of the profession this year have highlighted the changing nature of procurement as their organizational missions and directives change, often to take on more responsibilities.
- A 2023 Deloitte survey of procurement leaders found that top priorities today include operational efficiency, ESG and corporate responsibility, digital transformation and cost reductions. ESG was among the topics that had increased in importance, rising by four percentage points since 2021 and becoming the second most-cited priority behind operational efficiency.
- The procurement role is also rapidly shifting in response to new technologies and digitization. In a survey of procurement decision makers recently released by Amazon, 98% of respondents said they are planning investments in AI, analytics and insights tools, and automation for their procurement operations in the next few years.

Source: www.supplychaindive.com

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ANSWERS TO INFRASTRUCTURE QUIZ

- | | |
|-----|---|
| 1. | a |
| 2. | c |
| 3. | d |
| 4. | b |
| 5. | a |
| 6. | c |
| 7. | d |
| 8. | d |
| 9. | d |
| 10. | b |

RETAIL SUPPLY CHAIN: NAVIGATING COMPLEXITIES IN THE DIGITAL ERA

With the Indian retail industry expected to touch USD 2 trillion by 2032, collaborating with the right partners will be crucial to create an agile and reliable retail supply chain.

PRAJAKTA KARNIK

In today's digital era where several national and global brands are flocking in India to claim a share in the fourth largest retail market of the world, shopping experience and customer satisfaction has been an area of focus and concern for modern day retailers. Driven by socio-demographic and economic factors such as urbanisation, income growth and rise in nuclear families, consumers are constantly on the lookout for latest products in apparel, cosmetics, footwear, watches, electronics, beverages, food, etc. This has forced retail players to keep innovating and expanding its offerings to ensure customer satisfaction and brand loyalty.

As much as it may seem as a normal shopping routine or experience for customers, managing the complex the retail supply chain is challenging. However, the advent of latest technologies such as Artificial Intelligence, Machine Learning, data analytics, Internet of Things, automation, is coming to the rescue of the supply chain managers to understand the pulse of the consumers and accordingly keep innovating their strategies.

Changing landscape of retail industry : Over the last few years, several domestic and international retail brands have made a mark in the Indian market. Owing to the changing customer preferences, India's retail market has become diverse and dynamic. Besides, the growing population in India is positioning the country as a large consumption market for global retailers.

Domestic brands such as Reliance Retail, Tata Group, DMart, and Aditya Birla Fashion and Retail, among others, have spread their footprint far and wide. With a large number of population still residing in Tier 2 and 3 markets, retailers are expanding their presence here.

International brands such as IKEA, Decathlon, Zara, etc. are also gearing to spread its footprint in metros as well as in smaller towns, considering the immense growth potential of the retail industry in India.

Going by the statistics provided by IBEF, India's retail industry accounts for over 10 per cent of the country's gross domestic product (GDP) and around 8 per cent of the employment. Besides, India is the world's fifth-largest global destination in the retail space. According to Boston Consulting Group (BCG), the retail sector in India is expected to reach a whopping USD 2 trillion in

value by 2032.

Meeting changing demand patterns : The dynamics of the retail industry has been evolving since the past few years. However, the e-commerce boom, especially during the Covid pandemic, has created ripples in the industry. In the run-up to grab a share in the e-commerce space as well, while competing with B2C giants such as Amazon, Flipkart, etc.

Retailers today are faced with several challenges including regularly updating their product portfolio, providing product visibility, ensuring customer satisfaction through prompt deliveries and returns, if any, and remaining cost competitive. To address these challenges, retailers are even adopting omni-channel model and partnering with logistics service providers to build a flexible and agile supply chain.

"Today's retail industry has completely transformed. This is largely on the back of introduction of e-commerce, healthy economic growth, shifting customer tastes and preferences. As a retail company, we have to continuously monitor the changing demand patterns, bring in innovative solutions, keep a check on slow moving products and replace them regularly, partner with several suppliers, enter into newer locations based on the demand or even shut stores in areas where there is less footfall, and much more. While these challenges existed even before, but it has only intensified in the last few years," Deepak Dua, Lead – Retail Operations, Combonation said.

Thus, for retailers, it is important to continuously keep analysing demand patterns. "We place great emphasis on analysing demand patterns to effectively forecast both demand and supply, all while ensuring that our inventory remains at optimal levels without excessive build-up. In the past, we used to rely on studying the entire year's data to forecast for the following year. However, we have now adopted a new strategy," Shammi Agarwal, Director, Pansari Group, said.

He further said that the company examines the forecast from the last three months, taking into account the seasonal nature of our products. "This revised approach has proven to be highly beneficial, enabling us to make more accurate predictions and effectively manage the balance between demand and supply," Agarwal added.

Sharing similar views, Raghav Pawar, Co-Founder, Powerlook Mens Fashion, said, “We are trying to understand customer choices in off-line as well as online modes. Initially, manufacturing is done in smaller batches and once we understand behaviour, then the suppliers come up with a bigger lot of SKUs. This helps us to keep the inventory minimal as well as try new designs in the market in order to prevent creation of dead stock.”

Managing supply chain can be critical

The retail supply chain encompasses the entire process of bringing products from manufacturers to end consumers. It involves multiple stages, including procurement, production, warehousing, inventory management, transportation, and delivery. Thus, it becomes crucial to build a reliable supply chain as well as logistics.

According to Nari Katgara, Director, Jeena Global, effective management in any sector brings in challenges along. “Similarly, challenges in retail involve achieving optimal inventory management by balancing stock levels with fluctuating customer demand. Inefficient inventory management many a times results either excessive inventory tying up capital or stock outs leading to customer dissatisfaction.”

He further said that the lack of real-time supply chain visibility is also a challenge especially since it hinders informed decision-making and timely responses to demand changes or disruptions. Coordinating with multiple suppliers poses complexities, requiring effective communication and collaboration to ensure timely deliveries and quality control.

Shaleen Khurana, Vice President, Moglix, opined that retailers in today’s fast-paced world face numerous challenges in demand and supply planning, particularly when it comes to making products available across various platforms. “Accurately gauging consumer demand amidst shifting market trends is a primary obstacle. Maintaining optimal inventory levels to avoid stock outs or excess inventory becomes crucial. Managing supply chains across diverse platforms requires seamless coordination of inventory, logistics, and fulfillment processes. Therefore, ensuring consistent product availability and meeting customer expectations pose ongoing challenges, demanding meticulous planning and execution for efficient retail supply chain and logistics operations.”

Technology comes to the rescue

Technology is playing a very crucial role in today’s challenging times. Latest technologies such as Artificial Intelligence, Machine Learning, data analytics, Internet of Things, automation, virtual reality (VR), etc., are

helping retailers and even retail logistics services providers to predict, analyse and design a reliable supply chain.

According to industry experts, real-time tracking using IoT sensors and GPS technology provides shipment visibility, enhancing control and reducing theft or loss risks. Cloud-based platforms centralise data, promoting collaboration and real-time information sharing.

“Technology is a major part of omni-channel retail and in just-in-time model. We, at Combonation, have associated with Unicommerce to provide real time inventory. With this, we are now able to integrate the stocks and warehouse with our software and get real time data every 15 minutes. This will also help in reducing order cancellation and enable us to deliver good on the same day or maximum in 1-2 days,” Dua said.

According to Shailesh Kumar, Founder, CABT Logistics, by leveraging right technology solutions, retailers can gain a competitive edge, meet customer expectations, and achieve greater efficiency in their retail logistics.

He further said that since real-time visibility is critical element in building a reliable supply chain, technology provides the necessary access to the entire logistics network, allowing retailers to track shipments, monitor inventory levels, and analyse supply chain performance. “With access to up-to-date information, retailers can make informed decisions, identify bottlenecks, optimise routes, and proactively address issues. This visibility also enables better communication and collaboration with suppliers, carriers, and other stakeholders” Kumar added.

According to Katgara, in the past few years, retail logistics across the globe has seen a rise in the adoption of technology. “Automation technologies like RFID (radio-frequency identification) and barcode scanning are known to improve inventory accuracy and speed up order fulfilment. Today, predictive analytics tools utilise historical data and algorithms to forecast demand, optimise inventory, and identify potential disruptions, enabling proactive decision-making. Besides, warehouse operations can be optimised through the use of automated robots, increasing efficiency and reducing errors.”

Agarwal also mentioned that due to the changing demand patterns and with the advent of technology, the company has switched to the online sector since most of the retail buyers have adopted e-commerce platforms. “Earlier, customers who used to buy rice in bulk from GT such as 10 kg to 25 kg in quantity, now with the advent of online platforms, these buyers prefer to buy in smaller quantities usually 5 kgs at a time. Nonetheless, this shift has led to an increase in repeat

purchases, ensuring a consistent demand and allowing us to effectively manage our stock levels. Moreover, our company has expanded its presence nationwide, catering to various sectors including HORECA, GT, modern trade, online, and government channels, thus reinforcing our supply chain and serving diverse customer needs,” he added.

Finding the right partner is the key

Since retail supply chain and logistics is complex, it is pertinent for retailers to collaborate with the right tech-driven logistics partners. These partnerships bring expertise in logistics, supply chain management, and technology, and enabling retailers to optimise operations, enhance efficiency, scale quickly, and focus on core competencies while ensuring a seamless and reliable end-to-end supply chain.

“Due to digitalisation, we have chosen to go with a 3PL logistics company, which will help us to manage logistics and also provide better customer experience, in terms of delivery and returns. Besides, it also helps us to have a central inventory in place for online as well as the marketplaces,” Pawar said.

According to industry players, retailers can optimise their last-mile delivery processes by partnering with 3PL/ 4PL players to ensure timely and efficient order fulfillment. Through such collaborations, retailers can leverage technology, such as route optimisation software and real-time tracking, to minimise delivery times and provide visibility to customers.

Efficient end-to-end retail logistics services require logistics players to prioritise certain areas like leveraging integrated technology platforms to facilitate seamless communication, data sharing, and coordination throughout the supply chain, opined Katgara.

“Emphasis on optimising last-mile delivery ensures timely and effective product distribution. Enhancing supply chain visibility enables real-time monitoring and informed decision-making. Collaborations and partnerships with suppliers, manufacturers, and retailers foster effective coordination and communication. Implementing these strategies enables logistics players to streamline operations, enhance customer satisfaction, and drive success in the retail industry,” he added.

Katgara further stated that the company currently offers retail logistics service under one umbrella. “In sea freight, we arrange for PO monitoring as a part of vendor management and update on prescribed online platforms giving visibility into the stages of the cargo even before it is handed over for shipping by the vendor to us followed by status update during the course of cargo handling, confirmation of movement to the port,

onboarding on ship, post shipment document uploads and finally concluded by updation of confirmed connection to the mother vessel arriving at destination. We have console platforms at major CFS and ICDs across Indian states providing safe handling and movement of cargo until onboarding. We also offer domestic coastal shipping solutions to aid cargo movements,” he added.

Speaking about its services, Khurana said, “By leveraging its 4PL solution technology, encompassing procurement, inventory management, warehousing, transportation, order fulfillment, and reverse logistics, Moglix streamlines processes, optimises routes, and minimises costs. Automation and digitisation enhance transparency, tracking, and traceability throughout the supply chain. Economies of scale and strong partnerships with logistics service providers enable Moglix to negotiate competitive rates, further reducing costs.”

While most of the retailers are outsourcing most of the processes to 3PL and 4PL players, there is still a large section of retailers, who continue to manage these operations in-house. “In the area of logistics, many companies are unveiling multi-customer features. However, we operate in a low gross profit but high-volume domain and believe that instead of relying on multi-client features like others, it is best to opt to set up our depots. To date, we have successfully opened 6 depots in various locations across the country including Kolkata, Gujarat, Himachal, Punjab, and Delhi. Furthermore, we are looking forward to opening our store in Hyderabad. By managing these facilities, ourselves, we can ensure smooth operations and fast processes, without relying on third parties,” Agarwal added.

Way forward

The retail supply chain and logistics industry has undergone a significant transformation in the wake of the Covid-19 pandemic. The shift towards e-commerce, omni-channel integration, and last-mile innovations has become the new normal. Despite challenges, companies are expanding their footprints and leveraging technology to build reliable and agile supply chains.

The way forward for the retail industry involves leveraging technology, prioritising customer-centric approaches, embracing sustainability, building resilient supply chains, fostering collaborations, and embracing continuous learning. By embracing these strategies, retailers can thrive in an evolving landscape and meet the ever-changing expectations of consumers.

Source: logisticsandscm.com

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REVOLUTIONIZING LOGISTICS IN INDIA: TOP TRENDS DRIVING BUSINESS OPERATIONS IN 2023

NAINA BHARDWAJ

The logistics industry in India is benefitting from technological advancements, policy initiatives, and infrastructure capex in 2023. Logistics is integral to economic growth and any improvements in the country's logistics ecosystem has business positive outcomes – ranging from operational efficiency to expanding supplier networks to boosting last-mile-reach to meet market demand. Further, applied tech innovation and data-driven insights can allow companies to optimize their supply chains, allocate resources more effectively, and deliver exceptional customer experiences.

India's logistics industry has achieved remarkable progress, highlighted by the country's rise of six spots in the World Bank's Logistics Performance Index (LPI). This improvement is credited to various factors, such as technology innovation, data-driven decision-making, and **policy initiatives** aimed at facilitating world-class infrastructure.

Earlier in the year, the government increased the **Union Budget** allocation for capital investment by 33 percent, amounting to INR 10 trillion, for 2023-24. This development has been warmly welcomed by the logistics industry as it is expected to bolster India's position in the global supply chain by prioritizing infrastructure development.

Improving logistics performance can be a crucial factor in a country's economic growth, enabling businesses to enhance their trade competitiveness, reduce expenses, and **increase supply chain efficiency**. This not only boosts productivity and customer satisfaction but also attracts foreign investment by creating a favorable environment for companies to operate in.

By minimizing lead times, cutting transportation costs, and improving inventory management, logistics improvements help businesses optimize their operations and increase profits.

India climbs six spots on World Bank's Logistics Performance Index

India has moved up six places to reach the 38th rank out of 139 countries on the Logistics Performance Index. The LPI index measures countries on six aspects of logistics performance, including infrastructure quality, customs efficiency, logistics services quality, international shipment arrangements, on-time delivery frequency, and shipment tracking.

Several **factors** have contributed to India's improved LPI ranking, such as the implementation of the Goods and Services Tax (GST), investments in infrastructure, and the adoption of **digital**

technologies, such as GPS and RFID, has enabled better tracking of goods, reducing theft and pilferage.

The improvement on the LPI index can be a game-changer for India's economic growth trajectory by enhancing trade competitiveness, reducing trade expenses, and boosting supply chain efficiency.

The **National Logistics Policy** (NLP) and the **PM Gati Shakti initiative** are important overarching policy steps taken in this direction by the central government to deliver results by 2024-25.

The LPI report also highlights India's significant climb of 17 places in its rankings since 2014 and how the country's efforts in digitalization and modernization have surpassed the performance of advanced nations.

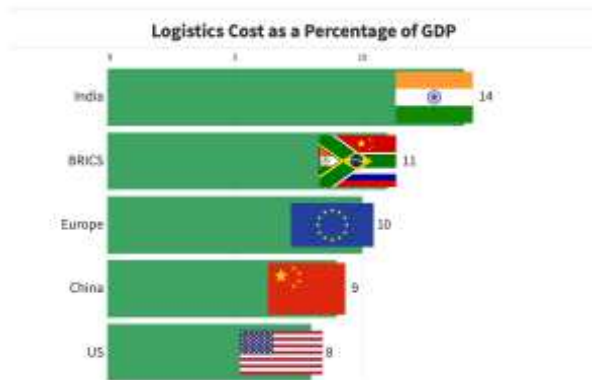
The report suggests that emerging economies can significantly reduce dwell time at **ports** and terminals by using advanced tracking and tracing solutions such as cargo tracking. End-to-end supply chain digitalization in developing countries can reduce port delays by up to 70 percent compared to developed countries, making it a crucial aspect of logistics optimization.

The report also notes the growing demand for eco-friendly logistics, with 75 percent of shippers seeking greener options when exporting to high-income countries. Christina Wiederer, senior economist at the World Bank Group's macroeconomics, trade, and investment global practice, suggests that targeting delays at seaports, airports, and multimodal facilities can improve reliability and have a notable impact on reducing delays.

How the logistics industry can facilitate India becoming a US\$26 trillion economy

India's transportation and logistics industry is set to play a pivotal role in supporting the country's ambitious growth aspirations. According to a recent EY report titled "India@100: realizing the potential of a US\$26 trillion economy," India is expected to reach a staggering US\$26 trillion by FY 2048. As the nation gears up to achieve this milestone over the next 25 years, the transportation and logistics industry will be a key enabler.

Currently, India's freight movement is heavily dependent on road transportation, accounting for 66 percent of cargo in ton-kilometers. Rail transportation follows closely behind, with a share of 31 percent, while shipping and air transportation contribute three percent and one percent, respectively. However, freight transportation is unevenly distributed across different modes.



Efforts are underway to correct this imbalance by establishing integrated infrastructure, adopting a multimodal approach, and pursuing sustainable development.

Government measures targeting India's logistics and supply chain industries

The logistics and supply chain industries in India are currently experiencing a significant transformation, driven by several government initiatives aimed at boosting the sector. Notably, the implementation of the GST and the recognition of logistics as infrastructure status are two critical moves that have been instrumental in driving this change.

Additionally, other initiatives have been put in place to streamline the movement of goods and reduce turnaround times. We discuss some of these below.

- **Dedicated freight corridors:** To facilitate the seamless transportation of goods and commodities across India, high-speed, large-capacity railway corridors known as dedicated freight corridors have been established. These corridors integrate state-of-the-art technology and improved infrastructure, promising enhanced efficiency and effectiveness in the logistics operations.



- **Multimodal logistics parks:** The development of multimodal logistics parks is a strategic step towards providing comprehensive freight-handling facilities. Spread across at least 100 acres, these parks offer access to various modes of transportation, including road, rail, and air. They also provide advanced storage solutions like mechanized warehouses and cold storage facilities,

along with essential services like customs clearance and quarantine zones. By reducing freight costs, warehouse expenses, and vehicle congestion, these parks aim to optimize logistics operations and enhance overall supply chain efficiency.

- **Parivahan portal:** To standardize processes and promote seamless information sharing across different locations, the government has introduced the Parivahan portal. This digital platform encompasses SARATHI for driving license processes and VAHAN for vehicle registrations. Both functionalities are consolidated within a single user-friendly mobile application, 'mParivahan'. This initiative streamlines administrative procedures and provides easy access to information related to registration cards and drivers' licenses, facilitating smoother logistics operations.
- **Introduction of the e-way bill:** The implementation of the e-way bill system mandates the use of electronic documentation for truckloads valued above INR 50,000. This digital documentation eliminates the need for physical paperwork and state boundary check posts, simplifying inter-state vehicle movement. By reducing turnaround time and bureaucratic hurdles, the e-way bill initiative enhances logistics efficiency and expedites overall supply chain movement.

Key trends steering India's logistics performance in 2023 : Technology, data, and infrastructure trends indicate that 2023 is a year of dynamic shifts for the logistics industry. Any period of change and transformation brings with it opportunities for businesses to leverage with the right tools and growth goals. Some of these include adopting cutting-edge technologies, harnessing the power of data, and fostering collaborative digital ecosystems to facilitate supply chain streamlining. These strategies are also creating space for niche start-ups as companies seek to outpace competitors and meet the ever-evolving expectations of customers.

Technological innovation : The integration of advanced solutions is revolutionizing logistics operations, enhancing efficiency, and unlocking new opportunities. Key technologies shaping the future of logistics include:

- **Artificial intelligence(AI)and machine learning:** AI-powered algorithms and machine learning models enable predictive analytics, demand forecasting, route optimization, and real-time decision-making. These tools empower businesses to optimize their supply chains, improve resource allocation, and deliver enhanced customer experiences.
- **Internet of things (IoT):** With the proliferation of IoT devices, logistics companies gain greater visibility and control over their assets and inventory. IoT sensors and connectivity facilitate real-time tracking, remote monitoring, and predictive maintenance, enabling proactive and efficient logistics operations.
- **Robotics and automation:** Automation technologies, such as robotic process automation (RPA) and autonomous vehicles, are reshaping warehouse operations and last-mile delivery.

Robotics streamlines repetitive tasks, reduces errors, enhances speed, and improves safety, leading to cost savings and increased productivity.

Data-driven decision making for operational superiority : In times where data reigns supreme, logistics companies must harness the power of data to drive informed decision-making. By adopting robust data analytics capabilities, businesses can gain actionable insights and optimize various aspects of their operations. We discuss some ways how:

- **Predictive analytics:** Leveraging historical and real-time data, predictive analytics enables businesses to anticipate demand fluctuations, optimize inventory levels, and enhance supply chain resilience. Accurate forecasting minimizes stockouts, reduces inventory holding costs, and improves overall operational efficiency.
- **Supply chain visibility:** Comprehensive data integration and visibility across the supply chain enable end-to-end traceability, proactive issue identification, and prompt problem resolution. Real-time data sharing fosters collaboration, enhances communication, and builds trust among supply chain partners.

Robotics and drone technology : The utilization of robotics and **drone** technology in logistics is increasing rapidly. The global logistics robots market, valued at US\$7.11 billion in 2022, is predicted to reach US\$21.01 billion by 2029, driven by a growing need for complex supply chain operations, e-commerce fulfillment services, and adoption of warehouse management software solutions. Drones have become essential in the industry, providing solutions for various needs, such as surveillance, access to remote locations, urgent deliveries, grade A warehousing, and reverse logistics. Large e-commerce companies like Amazon and Google have integrated delivery drones into their operations. Additionally, DHL and Walmart are experimenting with autonomous systems and robotics.

ONDC's technology-driven solution for streamlining the retail supply chain : The growth of direct-to-consumer (D2C) customers is particularly prevalent in **tier 2, 3, 4,** and rural sectors. As per industry estimates, the Indian e-commerce industry is expected to grow by 50-60 percent in D2C and new categories by 2030, reaching US\$350 billion. This is due to improved digital payment and banking systems and faster internet access. However, meeting the increasing demand for fast and reliable last-mile delivery services is also crucial.

To address this challenge, the **ONDC** aims to use technology and data analytics to automate and simplify the retail supply chain, connecting suppliers, wholesalers, and retailers. This is expected to create a more efficient, transparent, and effective supply chain where demand is matched to the nearest provider.

Rise of cross-border e-commerce : The logistics industry has been significantly impacted by the rapid growth of **e-commerce**, which has led to an increase in demand for international goods and MSMEs selling internationally. This growth is driven by millennials who make up a large portion of the professional purchase decision market and expect online shopping interfaces.

Therefore, efficient and reliable delivery services have become necessary, leading to the rise of cross-border digital markets that have seen significant economic growth.

To meet the challenges presented by cross-border delivery, such as customs and duty laws, language barriers, and payment options, businesses need to carefully plan their operations. Logistics firms with a robust network and digital infrastructure capable of providing end-to-end solutions and support for cross-border e-commerce will be best suited to serve these customers.

Embracing digital ecosystems: Collaborative partnerships for success : In today's interconnected world, logistics success lies in building strong digital ecosystems and forging collaborative partnerships. By joining forces with key stakeholders, businesses can leverage collective expertise and resources to achieve operational excellence in the following ways:

- **Ecosystem collaboration:** Collaboration with technology providers, logistics service providers, and customers fosters innovation, promotes knowledge sharing, and accelerates digital transformation. Collaborative ecosystems enable seamless integration, streamline operations, and deliver superior customer experiences.
- **Supply chain orchestration:** Advanced platforms and digital marketplaces facilitate end-to-end supply chain orchestration. By leveraging these platforms, businesses gain access to a wide network of suppliers, transporters, and service providers, optimizing logistics operations and reducing time-to-market.

Warehousing: The **warehousing industry** is set to grow to US\$27.35 billion by 2026 due to increased demand for storage and faster delivery times in tier 1 and tier 2 cities. To support this growth, the government is establishing multimodal logistic parks and other initiatives that connect urban transport to railways, attracting investments from institutional funds and developers. Private players, such as CCI Logistics, Gateway Distriparks, and Transport Corporation of India, have also invested in state-of-the-art facilities for supply chain operations. One important aspect of warehousing is establishing agreements with warehouse service providers that are mutually beneficial and take into account the handling of exceptions and managing unforeseen disasters.

Green logistics technology : The implementation of green logistics technology, which includes climate measurement tools, real-time data-gathering tools, **electric vehicles**, green cold chain solutions, electric cargo delivery drones, and logistics resource management platforms, can have numerous benefits like reducing waste, simplifying processes, improving a company's competitiveness, and being environmentally friendly. Several companies, such as Spencer, Bigbasket, Amazon, Licious, Myntra, and Flipkart, have partnered with Zyp Electric for their last-mile delivery through e-vehicles and e-vehicle fleet management.

Source: www.india-briefing.com

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RATE CONTRACT AND OTHER PROCUREMENTS WITH SPECIAL FEATURES

This is the Eighth article in the series of articles for Public Procurement. This is in continuation of seventh article in the December 2023 issue from pages 21 to 32 titled “Evaluation of Bids and Award of Contract”

Rate Contracts

Definition: A Rate Contract (commonly known as RC) is an agreement between the purchaser and the supplier for supply of specified goods (and allied services, if any) at specified price and terms & conditions (as incorporated in the agreement) during the period covered by the Rate Contract. No quantity is mentioned nor is any minimum drawal guaranteed in the Rate Contract. The Rate Contract is in the nature of a standing offer from the supplier firm. The firm and/or the purchaser are entitled to withdraw/cancel the Rate Contract by serving an appropriate notice on each other giving 15 (fifteen) days time. However, once a supply order is placed on the supplier for supply of a definite quantity in terms of the rate contract during the validity period of the rate contract, that supply order becomes a valid and binding contract.

Merits of Rate Contract-The Rate Contract system provides various benefits to both the Purchaser (i.e. user) and the Supplier and the same are indicated below:

i) Benefit to Users

- a) Competitive and economical price due to aggregation of demands.
- b) Saves time, efforts, man-hours and related costs involved in time consuming as well as repetitive tendering process. It thus reduces lead time for procurement.
- c) Availability of quality goods with full quality assurance back-up.
- d) Enables procurement as and when required and thus reduces inventory carrying cost.
- e) Advantageous even to small users and those located in remote areas.
- f) Provides one single point of contact to procure such items.

ii) Benefit to Suppliers:

- a) Reduces marketing cost and efforts.
- b) Eliminates repetitive tendering and follow-up actions with multiple authorities.
- c) Provides single point contact for Govt. supplies.
- d) Aggregation of Govt. demand leads to economic production.
- e) Lends credibility.
- f) Promotes quality discipline.

Period of Rate Contract: The period of a Rate Contract should normally be one year for stable technology products. However, in special cases, shorter or longer period not more

than two years may be considered. As far as possible, validity period of rate contracts should be fixed in such a way as to ensure that budgetary levies would not affect the price and thereby frustrate the contracts. Attempts should also be made to suitably stagger the period of rate contracts throughout the year.

Special Conditions applicable for Rate Contract- Some conditions of rate contract differ from the usual conditions applicable for ad hoc contracts. Some such important special conditions of rate contract are given below:

- i) In the Schedule of Requirement, no quantity is mentioned; only the anticipated drawl is mentioned without any commitment.
- iii) The purchaser reserves the right to conclude one or more than one rate contract for the same item.
- iv) The purchaser as well as the supplier may withdraw the rate contract by serving suitable notice to each other. The prescribed notice period is generally fifteen days.
- v) The purchaser has the option to renegotiate the price with the rate contract holders.
- vi) In case of emergency, the purchaser may purchase the same item through ad hoc contract with a new supplier.
- vii) The purchaser and the authorized users of the rate contract are entitled to place online supply orders up to the last day of the validity of the rate contract and, though supplies against such supply orders will be effected beyond the validity period of the rate contract, all such supplies will be guided by the terms & conditions of the rate contract.
- viii) The rate contract will be guided by “Fall Clause” (as described later in this chapter).

Parallel Rate Contracts: Since, the rate contracts concluded are to take care of the demands of various Departments and Organizations, PSUs, Autonomous Organizations etc. spread all over the country, generally a single supplier does not have enough capacity to cater to the entire demand of an item. Therefore, the rate contracts are concluded with different suppliers for the same item. Such rate contracts are known as Parallel Rate Contracts.

Conclusion of Rate Contracts including Parallel Rate Contracts- Techniques for conclusion of rate contract is basically identical to that of ad hoc contract (as discussed in Chapter 7 of the Manual). Identical tender documents may be utilized for conclusion of rate contracts subject to inclusion therein the special terms & conditions as

applicable for rate contracts. In the first instance, the rate contract is to be awarded to the lowest responsive tenderer (L1). However, depending on the anticipated demand of the item, location of the users, capacity of the responsive bidders, reasonableness of the prices quoted by the responsive bidders, etc. it may become necessary to award parallel rate contracts also. Efforts should be made to conclude parallel rate contracts with suppliers located in different parts of the country. For the sake of transparency and to avoid any criticism, all such parallel rate contracts are to be issued simultaneously.

Cartel Formation / Pool Rates/Bid rigging/Collusive bidding etc.: Quoting of pool rates/Cartel formation, bid rigging/collusive bidding is against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices should be severely discouraged with strong measures. Suitable administrative actions like rejecting the offers, reporting the matter to Competition Commission of India, on case to case basis, as decided by the competent authority. Ministries/Departments may also bring such unhealthy practice to the notice of the concerned trade associations like FICCI, ASSOCHAM, NSIC, etc. requesting them, inter alia, to take suitable strong actions against such firms. The Ministries/Departments may also encourage new firms to get themselves registered to break the monopolistic attitude of the firms giving pool rate/ forming cartel. Purchaser may also debar the tenderers indulging in cartel formation/ collusive bidding/bid rigging for a period of two years from participation in the tenders of the Purchaser.

Fall Clause: Fall clause is a price safety mechanism in rate contracts. The fall clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods or services following conditions of sale similar to those of the rate contract, at a price lower than the rate contract price, to any person or organization during the currency of the rate contract, the rate contract price will be automatically reduced with effect from that date for all the subsequent supplies under the rate contract and the rate contract amended accordingly. Other parallel rate contract holders, if any, are also to be given opportunity to reduce their price as well, by notifying the reduced price to them and giving them 07 (seven) days time to intimate their revised prices, if they so desire, in sealed cover to be opened in public on the specified date and time and further action taken as per standard practice. On many occasions, the parallel rate contract holders attempt to grab more orders by unethical means by announcing reduction of their price (after getting the rate contract) under the guise of Fall Clause. This situation is also to be dealt with in similar manner as mentioned in the preceding paragraph. It is however, very much necessary that the purchase organizations keep special watch on the performance of such rate contract holders who reduce their prices on one pretext or other. If their performances are not up to the mark, appropriately severe action should be taken against them including deregistering them, suspending business deals with them, debarring them for two years from participating against the tender enquiry floated by concerned purchase organization etc.

The provisions of fall clause will however not apply to the following:

- iii) Export/Deemed Export by the supplier;
- iv) Sale of goods or services as original equipment prices lower than the price charged for normal replacement;
- v) Sale of goods such as drugs, which have expiry date;
- vi) Sale of goods or services at lower price on or after the date of completion of sale/placement of order of goods or services by the authority concerned, under the existing or previous Rate Contracts as also under any previous contracts entered into with the Central or State Government Departments including new undertakings (excluding joint sector companies and or private parties) and bodies.

Performance Security: Depending on the anticipated overall drawal against a rate contract and, also, anticipated number of parallel rate contracts to be issued for an item, Department shall consider obtaining Performance Security @ 5% (five percent) of the value of supply order in the supply orders issued against rate contracts on the rate contract holder.

Renewal of Rate Contracts: It should be ensured that new rate contracts are made operative right after the expiry of the existing rate contracts without any gap for all rate contracted items. In case, however, it is not possible to conclude new rate contracts due to some special reasons, timely steps are to be taken to extend the existing rate contracts with same terms, conditions etc. for a suitable period, with the consent of the rate contract holders. Rate contracts of the firms, who do not agree to such extension, are to be left out.

Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.

Handling Procurement in urgencies/ Emergencies and Disaster Management

There are sufficient fast track procurement modalities to tackle procurements in urgent/ emergent and Disaster Management situations. Enhanced delegations of procurement powers in SoPP may be considered to handle such situations. Use of following modes of procurements may be utilised in order of speed (under Disaster Management situations, threshold limits of modes of procurement may be increased for higher level of officers, with the sanction of Secretary of the Department):

- i) Direct Procurement Without Quotation
- ii) Direct Procurement by Purchase Committee
- iii) SLTE/ Limited/ Single Tender Enquiry, with reduced time for submission of Bids

To speed up procurement, advance cash may be drawn for direct procurement modes and made available to the Committees/ officer, with accounts and vouchers to be submitted after purchase.

Buy Back Offer : When it is decided to replace an existing old item(s) with a new/better version, the Department may trade the existing old item while purchasing the new one by issuing suitable bidding documents for this purpose. The

condition of the old item, its location and the mode of its handing over to the successful bidder are also to be incorporated in the bidding document. Further, the bidder should be asked to quote the prices for the item (to be offered by them) with rebate for the old item and also, without any rebate (in case they do not want to lift the old item). This will enable the Department either to trade or not to trade the old item while purchasing the new one. (Rule 176 of GFR 2017)

Capital Goods/ Equipment (Machinery and Plant M&P)

Capital goods are Machinery and Plant (M&P) which create new Fixed Assets/ utility/ functionality or benefit to the organisation and has a long useful life. Special features of procurement of Capital Goods are:

- i) Since the cost is generally high, there are detailed procedures for approval of technical, administrative and budgetary provisions – before an indent is generated. Unlike consumable items (which are procured if a non-specific budgetary provision is there), Capital Goods are procured after an item specific Budgetary provision is included in the budget. Thus the acquisition of Capital Goods is also an Investment decision and may require some form of Investment Justification. Some of the higher value Capital Goods may be accounted in the Capital Block of the Organization. However these features may not apply to Capital goods procurement of smaller threshold values;
- ii) There are also alternative to outright purchasing/ owning such equipment like hiring/ hire-purchase/ leasing or acquiring the functionality as a service;
- iii) The procurement involves elements of Works and Services like Installation, Commissioning, Training, prolonged trials, Warranty, After Sales Services like post- warranty Maintenance and assured availability of spares. All such elements have costs may be quoted explicitly or implicitly. A suitable warranty clause should indicate the period of warranty and service levels as well as penalties for delays in restoration of defects. Clauses for including essential initial spares for two years' maintenance to be supplied along with equipment may be provided. If necessary appropriate number of years' (say three to five or more years depending on the lifespan of the equipment) AMC may be included in the procurement detailing its conditions;
- iv) The cost of operations, maintenance and disposal of the equipment over its life cycle may far outweigh the initial procurement cost over the life cycle of the capital equipment. Hence value for money becomes an important consideration – which can be addressed in Public Procurement by way of appropriate Description, specification, Contract conditions like inclusion of cost of supply of initial essential spares and total present value (as per DCF technique) of Annual Maintenance Contracts (AMC) for specified number of years within the estimated cost and also the evaluation criteria of procurement contract;
- v) In case the Plant and Equipment consists of a number of machines which work in tandem or if it includes services/ works to be done by third party, an all encompassing Turnkey contract may be better alternative;
- vi) Because of complexity of specification evaluation of Technical suitability of offers in procurement of Capital Goods involves complex issues about acceptance of alternatives, deviations and compliance with various particulars of specification. Acceptance or otherwise of alternatives should be made explicit. A statement of deviation including detailed justification for the deviations from each clause of specification should be asked for from the bidder in the Bid documents. A schedule of Guaranteed Particulars of specification indicating the values of each parameter may be included in the Specification, where the bidder can quote the offered value of the Parameters. In complex cases Pre-bid conference may help in reducing disputes and complexity at the time of evaluation;
- vii) Past experience, Capacity and Financial strength of a supplier is an important determinant of quality, after sales support of the Capital Goods; such procurements are a fit case for Pre-Qualification bidding.

Turnkey Contract : In the context of procurement of goods, a turnkey contract may include the manufacture, supply, assembly, installation/ commissioning of equipment (or a group of plant and machines working in tandem – even though some of the machines may not be manufactured by the supplier himself) and some incidental works or services. Generally, in the tender enquiry documents for a turn key contract, the purchase organization specifies the performance and output required from the plant proposed to be set up and broadly outlines the various parameters it visualizes for the desired plant. The inputs and other facilities, which the purchase organization will provide to the contractor, are also indicated in the tender enquiry document. The contractor is to design the plant and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the plant; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc., as specified in the tender enquiry documents.

Annual Maintenance Contract (AMC)

- i) Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble-free service. For this purpose, the purchase organisation may enter into a maintenance contract. It must, however, be kept in mind that maintenance contract is to start after the expiry of the warranty period, during which period the goods are to be maintained free of cost by the supplier.
- ii) The maintenance contract may be entered into either with the manufacturer/supplier of the goods or with a competent and eligible firm, not necessarily the manufacturer/supplier of the goods in question. The

purchase organisation should decide this aspect on case to case basis on merit.

- iii) If the maintenance contract is to be entered into with the supplier of the goods, then suitable clauses for this purpose are to be incorporated in the tender enquiry document itself and while evaluating the offers, the cost component towards maintenance of the goods for specified number of years is also to be added in the evaluated tender value on overall basis to decide the inter se ranking of the responsive tenderers. Equipment with a lower quoted price may carry a higher maintenance liability. Therefore, the total cost on purchase and maintenance of the equipment over the period of the maintenance contract should be assessed to consider its suitability for purchase. While evaluating the tenderers for maintenance of goods covering a longer period (say, three to five or more years depending on the life-span of the equipment), the quoted prices pertaining to maintenance in future years are to be discounted (as per DCF technique) to the net present value as appropriate for comparing the tenders on an equitable basis and deciding the lowest evaluated responsive tender.
- iv) However, if the maintenance contract is to be entered into with a competent and eligible supplier separately, then a separate tender enquiry is to be floated for this purpose and tenders evaluated and ranked accordingly for placement of the maintenance contract. Here, the supplier of the goods may also quote and his quotation, if received, is to be considered along with other quotations received.
- v) The details of the services required for maintenance of the goods, the required period of maintenance and other relevant terms and conditions, including payment terms, are to be incorporated in the tender enquiry document. The terms of payment for the maintenance service will depend on the nature of the goods to be maintained as well as the nature of the services desired. Generally, payment for maintenance is made on a half-yearly or quarterly basis.
- vi) A Service Level Agreement (SLA) may be incorporated in complex and large maintenance contracts. SLA should indicate guaranteed levels of service parameters like - %age uptime to be ensured; Performance output levels to be ensured from the equipment; channel of registering service request; response time for resolving the request, Channel for escalation of service request in case of delay or unsatisfactory resolution of request, monitoring of Service Levels etc. This would include provision of help lines, complaint registration and escalation procedures, response time, percentage of uptime and availability of equipment, non-degradation in performance levels after maintenance, maintenance of an inventory of common spares, use of genuine spares, and so on. The maintenance contract may also include penalties (liquidated Damages) for unacceptable delays in responses and degradation in performance output of machines, including provisions

for terminations.

- vii) It should be indicated in the bid documents, whether the maintenance charges would be inclusive of visiting charges, price of spares (many times, consumables such as rubber gasket, bulbs, and so on, are not included, even though major parts may be included), price of consumables (fuel, lubricants, cartridges, and so on). If costs of spares are to be borne by the procuring entity, then a guaranteed price list should be asked for along with the bids. It should also be clarified, whether room/space, electricity, water connection, and so on, would be provided free of cost to the contractor. The bidding document should also lay down a service level agreement to ensure proper service during the maintenance period.
- viii) A suitable provision should be incorporated in the tender enquiry document and in the resultant maintenance contract indicating that the prices charged by the maintenance contractor should not exceed the prevailing rates charged by him from others for similar services. While claiming payment, the contractor is also to give a certificate to this effect in his bill.
- ix) If the goods to be maintained are sophisticated and costly, the tender enquiry document should also have a provision for obtaining performance security. The amount of performance security will depend on the nature of the goods, period of maintenance, and so on. It generally varies from two and a half to five per cent of the value of the equipment to be maintained.
- x) Sometimes, the maintenance contractor may have to take the goods or some components of the goods to his factory for repair, and so on. On such occasions, before handing over the goods or components, valuing more than Rupees One Lakh, a suitable bank guarantee is to be obtained from the firm to safeguard the purchaser's interest.
- xi) Sometimes, during the tenure of a maintenance contract, especially with a longer tenure, it may become necessary for the purchase organisation to withdraw the maintenance contract due to some unforeseen reasons. To take care of this, there should be a suitable provision in the tender document and in the resultant contract. Depending on the cost and nature of the goods to be maintained, a suitable notice period (say one to three months) for such cancellation to come into effect is to be provided in the documents. A model clause to this effect is provided below:

"The purchaser reserves its right to terminate the maintenance contract at any time after giving due notice without assigning any reason. The contractor will not be entitled to claim any compensation against such termination. However, while terminating the contract, if any payment is due to the contractor for maintenance services already performed in terms of the contract, these would be paid to it/him as per the contract terms".
(Rule 169 of GFR 2017)

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NATIONAL LOGISTICS POLICY ACCELERATES INDIA TOWARDS ECONOMIC EFFICIENCY

NIVEDITA MUKHERJEE

India on track with task force to assess logistics cost, unified logistics platform with over 614 industry players registered.

India may still be trying to decode the economy of time and cost achieved in facilitating the movement of goods and services across various industries but the National Logistics Policy is gaining significant traction in achieving the targeted reduction in cost of logistics, improving the Logistics Performance Index (LPI) ranking at the core of which is the endeavour is to be among top 25 countries by 2030, as well as creating data driven decision support mechanism for an efficient logistics ecosystem.

India's adrenalin rush to develop a technologically enabled, integrated, cost effective and resilient logistics network to drive economic growth and business competitiveness in the country, is also driven by the urgent need to fill the lacunae of a Logistics Cost Framework. The DPIIT has initiated an endeavour to estimate logistics cost, since no official estimates are available and they vary from 8-14 percent of GDP. In the past private reports by Armstrong & Armstrong and NCAER have estimated cost to be 13 percent of GDP while NCAER in 2018 pegged it at 8 to 10 percent of GDP. Hence a need was felt for developing accurate estimates based on holistic data and relevant statistical models.

A year after the National Logistics Policy (NLP) was launched on 17 September, 2022 by Prime Minister Narendra Modi to complement PM GatiShakti National Master Plan (NMP), the NLP has started leveraging the best in class technology, processes and skilled manpower to reduce logistics cost and improve performance. A task force with members including senior officials from concerned line ministries and experts from academia, industry and think tanks, notified in March 2023 is now at work to develop a long-term survey-based framework for logistics cost calculation using secondary data available in public domain baseline estimates for logistics cost achieved. The long-term survey-based study will help in arriving at robust logistics cost estimates at a disaggregated level so that targeted interventions across sectors / modes can be undertaken.

The NLP comes in a perfect alibi for the GatiShakti NMP which tackles the integrated development of the fixed infrastructure and network planning while NLP

addresses the soft infrastructure and logistics sector development aspect. At the heart of the NLP is the Comprehensive Logistics Action Plan (CLAP) which is being deployed to achieve these targets through eight action areas including integrated digital logistics systems, standardisation of physical assets and benchmarking of service quality standards, logistics human resource development and capacity building. The other pillars are state engagement, exim logistics and improvement framework, sectoral plans for efficient logistics (SPEL) for addressing sector-specific needs in the logistics sector and streamlining movement of bulk and break-bulk cargo in the country, Sectoral Plans for Efficient Logistics (SPEL) and facilitation of development of logistics parks.

The progress is impressive. The E-LoGs portal which is a digital system for registering logistics related issues by logistics sector associations, has on date, 29 logistics sector associations registered on the portal, with a total 71 issues, of which 34 issues have been resolved. The implementation of the CLAP is picking up speed with the launch of a Unified Logistics Interface Platform (ULIP), an indigenous data-based platform for digital integration in logistics sector which integrates 34 logistics-related digital systems /portals across ministries/departments and provides single sign to users who are trading goods and using multiple modes of transport. Even GST data is also being integrated with ULIP.

The ULIP is also providing opportunities to the private sector to develop use cases on the portal with Non-Disclosure Agreements (NDAs). After due diligence, data on ULIP can be accessed through API integration. Over 614 industry players have registered on ULIP, 106 private companies have signed NDAs, 142 companies have submitted 382 use cases to be hosted on ULIP and 57 applications have gone live.

Under a comprehensive port connectivity plan to address last and first mile infra gaps and promote seamless movement of goods to ports, 60 projects of road transport and highways (MORTH) and 47 of Railways have been sanctioned to improve last mile connectivity to ports. On addressing the SPEL, a comprehensive port connectivity plan (CPCP) to bridge last mile gaps to ports, has been developed by the Ministry of Port, Shipping and Waterways. Till date 107 port connectivity projects (47 of MoR and 60 of

MoRTH) have been notified. The plan on State Engagement has picked up pace with States/UTs developing State Logistics Plans (SLPs) aligned with NLP to bring holistic focus on logistics in public policy. So far, 22 States have notified their respective State Logistics policies.

To improve the LPI with focus on achieving a rank among top 25 countries by 2030, DPIIT is working with the World Bank team, including Secretary DPIIT's meeting with senior officials of WB group at their headquarter in Washington DC to apprise them about the several initiatives and reforms of the Government and draw their attention on need for greater emphasis on objective based methodology for LPI scoring. A dedicated unit is being set up within the Logistics Division to develop and implement an action plan for improving India's LPI ranking and concerned line Ministries are setting up a dedicated cell for a focused project-based approach to improving India's performance across the LPI parameters.

As part of the state engagement pillar, a slew of the regional conferences and inter-Ministerial meetings are being pushed in by the DPIIT to facilitate implementation of the NLP and give it wide ambit. The most recent is an inter-ministerial meeting on 28 July, 2023, on completion of 10 months of the launch of NLP involving 11 infrastructure and key ministries and showcasing of measures to improve logistics efficiency in the country by Ministries of road transport and highways, port shipping and waterways, coal, food and public distribution, civil aviation, steel, commerce, fertiliser, revenue, skill development and entrepreneurship, power.

The National Industrial Corridor Development Corporation Limited (NICDC) was also involved.

There is also fast-tracking on the approved institutional

mechanism for the NLP, namely, a Services Improvement Group (SIG) which has been constituted on 14 March, 2023 with representatives from infrastructure ministries, NITI Aayog, Department of Revenue and Department of Commerce to facilitate interoperability; eliminate fragmentation in documentation, formats, processes, liability regimes and reduce gaps in regulatory architecture. Till date, six meetings of SIG, along with industry associations have been held.

An indigenous logistics performance index on lines of the World Bank's LPI, called 'Logistics Ease Across Different States (LEADS)' index for logistics performance monitoring across states has been developed to enhance Logistics Ease Across Different States (LEADS). The LEADS 2023 report will be unveiled soon.

According to Grant Thornton Bharat experts, the evolving landscape of logistics in India comes opportunely as India looks to become the third-largest economy by 2027. The NLP is well suited to India and opportunely, the report suggests, currently when the global demand outlook is favourable, presenting Indian businesses with the opportunity to enhance supply-side indicators and compete on a global scale. The manufacturing sector, contributing approximately 17 percent to the GDP, is expected to play an even more substantial role in the future, the report notes. However, the increase in production will create additional strain on logistics infrastructure, demanding enhanced efficiency and availability to maintain competitive logistics costs. The logistics sector is already growing steadily at a rate of 10–12 per cent YoY, contributing 14.4 per cent to India's GDP.

Source: [sundayguardianlive.com](https://www.sundayguardianlive.com)

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SAD DEMISE

Shri Mukul Raiji, Ex Mahindra Vice President and IIMM stalwart left for his heavenly abode on 11th December 2023. He was 85 years old. He has left behind his children, Sneha and Malav.

A close friend and mentor to most of Mahindra and IIMM stalwarts, his contribution to operations and Supply Chain was immense

IIMM has lost a dear friend, and his guidance and contribution to SCM Profession is noteworthy.

He was one of IIMM Mumbai Branch stalwart.

NAVIGATING THE SHIFT TO ELECTRIC VEHICLES AND SUSTAINABLE PRACTICES IN THE AUTOMOTIVE INDUSTRY

Due to the growing eco consciousness of consumers, almost every industry sector is facing huge challenges in adapting to changing market demands. This is also very true for the automotive industry, which is currently undergoing one of the biggest transformations in its history - from cars with combustion engines, to electric mobility, and the overarching goal of decarbonisation.

The rise of electric vehicle manufacturers

Most of the traditional Original Equipment Manufacturers (OEMs), which have been producing combustion engine cars for decades, already have several electric vehicles in their portfolio. It seems that almost every month, a new manufacturer of electric vehicles appears on the market. Especially across Asia, the number of manufacturers of electric vehicles is growing fast and many of them intend to extend their businesses to the EU.

Commitment to the Paris Agreement

Many OEMs have committed themselves to the goals of the Paris Agreement, which aims to tackle climate change and its negative impacts by reducing CO2 emissions. In order to contribute, several long-established OEMs have pledged to focus on e-mobility in the future and to stop developing, and finally also stop selling, new combustion engine cars.

According to their plans, by the year 2030 no new combustion engine car models will be sold to the public anymore and the existing combustion engine car model lines will be phased out within the next couple of years. From 2035, there will also be a ban on the sale of new petrol and diesel cars in the EU, except for vehicles with combustion engines that use only climate-neutral fuel.

The success story of electric vehicles is illustrated by the enormous rise of the number of electric vehicles being sold worldwide. In 2022, almost 11 million electric vehicles were sold, which is an increase of approximately 55% in relation to 2021.

Green advertising and the Green Claims Directive

These developments are accompanied by another set of risks, such as the rise of environmental or green advertising. Obviously, the industry is interested in promoting the positive effects of their efforts to improve the sustainability of their products or operations. Environmental or green claims are statements that promote products as being “green”, “climate neutral”, “sustainable” or “CO2-neutral”.

However, these terms are not legally defined at the moment.

There's also a growing concern that consumers might be misled by manufacturers “greenwashing” their products or production processes. This can happen, for example, by misrepresenting environmental credentials, or by using false or misleading practices in relation to this.

Against this background, the EU Commission has proposed to introduce the Directive on substantiation and communication of explicit environmental claims (Green Claims Directive) (COM (2023) 166 final 2023/0085 COD (known as the “Green Claims Directive”). The Green Claims Directive will bring many important changes regarding environmental advertising and green claims. The overall aim is to provide consumers with better information on the environmental impact of their consumption, so that they can make better choices.

Substantiating green claims

The restrictions on using generic environmental claims like “eco-friendly”, “CO2-neutral” or “green” will have a very significant impact on the automotive industry, as it will for many other sectors too. In the future, the use of such claims will only be permissible if they can be substantiated by the advertiser. Under the Green Claim Directive's framework, companies would need to substantiate environmental claims using life cycle assessment, communicate them accurately and holistically, and have them externally verified. So car manufacturers will need to be able to present reliable evidence to show why their products and productions processes are in fact “green” or “eco-friendly”, if they want to make use of these terms in advertisements.

The road ahead

There's so much activity going on within the automotive sector when it comes to the decarbonisation of the industry. Many OEMs have set ambitious goals for this decade, whilst EU regulation is also becoming stricter in this area. OEMs need to have a clear decarbonisation strategy to make sure they avoid the legal pitfalls when advertising their efforts. With deep industry knowledge in this area, Bird & Bird's international team of automotive experts can support businesses navigating the challenges and legal considerations of the transformation of the automotive sector.



14-NATION AGREEMENT ON SUPPLY CHAIN RESILIENCE OPENS DOORS FOR INDIA

IPEF aims to reduce dependence on China and strengthen manufacturing of essential goods in member nations

ARPITA MUKHERJEE, PROFESSOR AT ICRIER

Union Minister Piyush Goyal With The US President Joe Biden And Other Leaders At The Indo-Pacific Economic Framework For Prosperity (IPEF) Leaders' Meeting, In San Francisco.

The Indo-Pacific Economic Framework's (IPEF) Supply Chain Resilience Agreement (Pillar 2) is probably the fastest-concluded plurilateral economic cooperation agreement, which Commerce Minister Piyush Goyal signed on November 14. India along with 13 other countries (Australia, Brunei Darussalam, Fiji, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, the United States, and Vietnam) are party to the agreement to fortify global supply chains and enhance adaptability, stability, and sustainability.

Supply chain resilience : The agreement aims to reduce dependence on China and enhance the manufacturing of essential goods in member nations. It provides a framework to build collective understanding of supply chain risks, supported by each partner's identification and monitoring of its own critical sectors and key goods. It is expected to make supply chains robust and well-integrated through crisis response measures, cooperation for mitigation of disruptions, improvements in logistics and connectivity, and by mobilising investment. It protects and benefits labour through adherence to International Labour Organization's Declaration on Fundamental Principles and Rights at work (1998), as amended in 2022. It ensures the availability of a sufficient number of skilled workers in critical sectors and key goods, including by upskilling and reskilling workers. It also aims to identify opportunities for technical assistance and capacity building in strengthening IPEF partners' supply chains.

The agreement establishes three IPEF Supply Chain bodies to facilitate cooperation among members. These are:

- **The IPEF Supply Chain Council:** The Agreement will establish a mechanism for the IPEF members to work collectively to develop sector-specific action plans for critical sectors and key goods to enhance the resilience of IPEF member countries' supply chains. It will do so through measures like diversification of sources, infrastructure and workforce development, enhanced logistics connectivity, business matching, joint research and development, and trade facilitation.

- **Supply Chain Crisis Response Network:** It will be an emergency communications channel for the IPEF member countries to seek support during a supply chain disruption and to facilitate information sharing and collaboration among them during a crisis, enabling a faster and more effective response that minimises negative effects on their respective economies.

- **Labour Rights Advisory Board:** It will consist of government, worker, and employer representatives, as well as a subcommittee composed of government representatives, to support the IPEF member countries in promotion of labour rights in their supply chains, promoting sustainable trade and investment, and facilitate opportunities for investment in businesses that respect labour rights as per the ILO standards.

Opening doors to opportunities : Once implemented, the Supply Chain Agreement is expected to bring in several benefits to India. The IPEF members represent around 40% of the global gross domestic product (GDP) and 28% of international trade. India can gradually replace China as the global sourcing hub for IPEF partner countries. Some of the potential benefits include a shift of production centres in key goods/critical sectors to India; increase in domestic manufacturing capacities aligning with the objective of Aatmanirbhar Bharat; and enhanced investment in production of key goods, logistics services and infrastructure. It will help in deeper integration of MSMEs in value chains and enhance trade facilitation through digital exchange of trade documentation, quicker port clearances, etc. Provision of joint research and development can help to diversify manufacturing and adhering to ILO standards will facilitate the transition of employment from informal to formal.

Speaking at the event for signing the agreement, Goyal emphasised on enhanced collaboration to realise collective aims of the IPEF, particularly on the need for mobilising affordable financing for clean economy transition and for enhancing technology cooperation. He also urged early implementation of the envisaged cooperative work under IPEF, including on bio-fuels alliance as suggested by India. At the sideline of the signing-in ceremony, Goyal held meetings with businesses communities for facilitating investment in India and B2B collaborations.

The agreement is unique as it aims to increase the resilience, efficiency, productivity, sustainability, transparency, diversification, security, fairness, and inclusivity of the supply chains of the signatory countries through both collaborative activities and individual actions taken by each IPEF partner. India already has trade agreements with several IPEF partners and these needs to be reviewed in the line of this new initiative. While many components of this agreement are not binding, if the IPEF partners are committed to operationalise the agreement, this will bring benefits to businesses and workers in the partner countries. India may, therefore, continue with some of the path-breaking initiatives that the country has already taken as part of its reform agenda.

Source: www.business-standard.com

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BRANCH NEWS

AURANGABAD BRANCH

IIMM Aurangabad have organized Inauguration function of its own **New office / Excellence Training Centre** on **10th December 2023** at Khvansara August High Street, Ulkanagari, Aurangabad in the presence of Chief Guest Mr. Milind Kank, Managing Director of Yashshree Group of Industries and Guest of Honor Mr. Mihir Soundalgikar, Director – Marathwada Auto Compo Pvt. Ltd., & Mr. Rajesh Sanghavi, Managing Director of Sanghavi Group of Industries.



Mr. Miling Kank Mr. Mihir Saondalgikar Mr. Rajesh Sanghavi and Branch Chairman Mr. Shshant Patare and EC Member at the time of Lamp lighting of Inauguration of Excellence Training

Important Contribution of Materials and Supply Chain Management in Industry Success - Milind Kank.

Shri Milind Kank, Managing Director of Yashshree Group asserted that material management is extremely important in the success of the industry and its proper management requires skilled manpower as well as scientific systems. He was speaking at the inauguration of the new office of the Indian Institute of Materials Management (IIMM) as well as the Center of Excellence Training. He explained by giving the example of YashshreeUdyog Group that along with the product quality department in the industries, the department of material management is very important and if it is managed through a proper system, the profit of the industries increases significantly. He specially praised the library established by IIMM and urged the budding entrepreneurs to take advantage of this facility.

On this occasion, **Rajesh Sanghvi**, Managing Director of Sanghvi Group of Industry, said that IIMM has played a major role and hoped that various types of skilled manpower would be created through this training center.

Young entrepreneur **Mihir Soundalgikar**, Director of Marathwada Auto Compo wished all the innovators IIMM They expressed that they will cooperate with M and also make definite use of this updated center set up in the central part of the city.



Mr. Miling Kank Chief Guest and Guest of Honor Mr. Mihir Saondalgikar at the time of Inauguration of Excellence Training Center Branch Office



Vice Chairman Offer Memento to Guest of Honour Mr. Mihir Soundalgikar and Mr. Rajesh Sanghai



IIMM Aurangabad **Branch Chairman Sushant Pathare** in his introduction reviewed the 44 years of the branch and thanked all the members for their cooperation.

The program was moderated by Mr. Fani kumar Marepalli and Vote of thanks was given by Vice Chairman Mr. Srikant Mule of Aurangabad Branch. IP Chairman Mr.K. Srihari, Past Chairman Mr. Jitesh Gupta National Council Member Mr. Sanjay Sanghai and Dr. Narendra Joshi, Mr. Shrikant Shelke MD, Mauli Group of Industries, Chairman of MASIA Anil Patil, Prasad Kokiell of CMIA, Dr. Abhay Kulkarni, Tansukh Zambad of MAKIA, Rahul Jaju of AISA, Dr. Santosh Bhosle Principal of MIT Colleteand eminent entrepreneurs were present.

Mr. Paras Mutha, Sudhir Patil, Lalit Lohade, Ramesh Jaulkar, Amey Kolte, Prem Kadam, Sunil Sonar, Abhijit Advant, Sushil Pandey, Sushil Ved, Milind Ghogle, Sudarshan Dharurkar etc worked hard to make this program successful. The program was moderated by Fanikumar Marepalli and vote of thanks was given by Srikant Mule, Vice President of Aurangabad Branch.

ALWAR BRANCH

IIMM Alwar branch organised a CPO meet on 20/12/2023 at Hotel Moti dungri Palace Alwar. CPOs and Plant Head of five Industries were invited and all of them participated in the program Mr. L R Meena National President elect coordinated the program and discussion were held about supply chain management issues, lack of trained manpower and good quality supplier, poor infrastructure. The issue will be taken up in next issue with local Government departments, Chamber of Commerce and Industrial association.



BANGALORE BRANCH

26th November 2023 – Get together meet : IIMM Bangalore Branch Executive & SCALE 2023 Committee with spouse had get together meeting at KSBA Club on 26th December 2023 (Sunday). Get together meeting was conducted in connection with successfully conducting of Golden Jubilee Celebration and SCALE 2023. Branch Chairman Mr. Jayakumar, and SCALE 2023 Chairman Mr. K.C. Harsha honoured all committee with memento to all committee members.



A view of participants with Speakers



Get-together - Group of Committee and their Spouse

15thDecember 2023 Workshop : IIMM Bangalore Branch had organised One day Workshop on on “**COST REDUCTION BY EFFICIENT PROCUREMENT**” on 15th December 2023 at Paraag Hotel, Raj Bhavan Road, Bangalore - 560 001.” The speakerswere Mr. M.S. Sankar Narayanan and Mr. B. Jayaraman senior Faculty of IIMMhandled the sessions. About 22 Participants including Members from various sectors/organisations attended the workshop. The Interactive workshop has received a Very good feedback.

21st December 2023 – MOU With SJIM : Indian Institute of Materials Management, (IIMM) Bangalore Branch and St. Joseph's Institute of Management (SJIM) had a meeting on 21st December 2023 and signed the MOU for working together to conduct joint training and certification programs in the areas of Supply Chaining Management, Business Analytics and Leadership Development. From IIMM Bangalore Mr. Jayakumar, Branch Chairman and from SJIM Fr. Dr. Manoj D'Souza S.J. signed on the MOU.



IIMM Bangalore Branch and St. Joseph's Institute of Management (SJIM) had a meeting on 21st December 2023



SIGNING OF MOU BY IIMM Bangalore Mr. Jayakumar, Branch Chairman and from SJIM Fr. Dr. Manoj D'Souza S.J



Workshop on Cost Reduction-a session handling by Shankar Narayanan

CHANDIGARH BRANCH

Pleased to share that IIMM Chd Branch organised Kaizen Explorer and case study competition. Kaizen and case studies were invited mainly in Productivity enhancement, Cost reduction, Environment and Safety category.



More than 25 companies including Godrej and SML ISUZU participated in competition. Quality of presentations in Kaizen were extremely good and competition was very tough. Competition was appreciated by all participants. Awards Will be given on 16 December 2023 at Hotel Radisson Zirakpur during Annual Day celebrations.



KOLKATA BRANCH

New Members Meet & Bijaya Sammiloni Program 2023: Following the tradition, IIMM, Kolkata organised "BijayaSanmilani" and "New Members Meet" at ICCR Auditorium on 25th November. Approximately 85 members along with their families attended the programme. Mr.Koushik Roy, Chairman, in his inaugural address emphasized the need for such meet which can bring in all the families together and exchange pleasantries. Senior faculty Mr. Mukul Mitra and wives of some of the members enthralled the audience with rendition of beautiful songs. New members were introduced with other senior members. They were presented a bouquet and a memento. On this occasion, Quarterly Newsletter of Kolkata branch and brochure on BCCI workshop programme were released by the branch chairman.

A documentary short film on Satyajit Roy directed by Mr.Joydip Mukherjee was screened, which was highly appreciated by the members. Mr. Kaushik Mukherjee, Vice Chairman presented the vote of thanks. The programme was organised by Mr. Prasun Ganguli, Chairman, Membership Committee and his team consisting of NilanjanaPalchoudhury, Parthasarathi Bose, Subrata Biswas and Sarada Mukherjee.



Workshop on “REVOLUTIONIZING SUPPLY CHAIN STRATEGIES” : The Bengal Chamber of Commerce & Industry (BCC&I) and Indian Institute of Materials Management, Kolkata Branch, jointly organized a One Day Workshop on “Revolutionizing Supply Chain Strategies” on Friday, the 15th December, 2023 at WM Hall in the heritage building of the BCC&I, Kolkata.

Mr. Arnab Basu, President Designate, BCC&I and Advisory Leader, PwC India, inaugurated the Workshop welcoming delegates and appreciating IIMM Kolkata

Branch for collaborating with BCC&I in organizing the workshop.



Mr. Koushik Roy, Chairman, IIMM Kolkata Branch, delivered welcome address. He also reciprocated the same feeling to the BCC&I for extending all sorts of cooperation in organizing the Workshop at their premises.

Mr. Sanjay Gupta, former Head of Supply Chain – PepsiCo, Project Management Consultant & Business Strategist, Hony. Secretary & Faculty Member of IIMM Kolkata Branch, took the ‘Icebreaker Session’ and made an overview of the Workshop by his enchanting

presentation.

Mr. Sajal Das, General Manager (Procurement), Linde India Ltd. took the 1st Technical Session on 'Redefining Supply Chain for Business Growth'. Mr. Das, by his interactive session, engrossed the participants.

The 2nd Technical Session was taken jointly by Mr. Sudipto Basu, Former Regional Head of Materials – Hindalco, Blue Star, Sterline & Wilson and Chairman, MDP & Consultancy Services and Faculty Member of IIMM Kolkata Branch and also Mr. Sanjay Gupta, former Head of Supply Chain – PepsiCo, Project Management Consultant & Business Strategist, Hony. Secretary & Faculty Member of IIMM Kolkata Branch, on 'Enhancing Profitability by Leveraging Supply Chain'. Duo made the session a knowledge sharing platform and made the session enjoyable.

The 1st Post-Lunch Session was taken by Mr. B P Mukherjee, Founder & CEO of Oroprise Solutions Pvt. Ltd. In his short and crispy deliberation, Mr. Mukherjee energized the audience in post-lunch session.

The 2nd Post-Lunch Session was dealt by Mr. Avinash Sahai, Former India Business Head of USG Crushing & Screening from Equipment of NSW Australia & General Manager, Larsen & Toubro Ltd. on 'Motivational and Energizing Connect'. With his vast experience, Mr. Sahai made the session worthy and attractive.

The Final Technical Session was dealt by Mr. Amit Mukherjee, Co-Founder & Director of Unigrow Solutions on 'Integrating Supply Chain with Information Technology & Artificial Intelligence'. This was the most coveted session in terms of topic and Mr. Mukherjee in his lucid presentation made the session worthy. Mr. Mukherjee met the expectation of the budding professionals integrating supply chain with information technology & artificial intelligence. By sharing his in-depth knowledge, Mr. Mukherjee made him invaluable for the participants.

The Concluding Session was on "Interactive Knowledge Sharing through Q & A Session" taken jointly by Mr. Sanjay Gupta and Mr. Sudipto Basu. In this session, the participants were divided in six teams and a Quiz Context on SCM was organized. Mr. Sudipto Basu played as the Quiz Master and Mr. Sanjay Gupta synchronized the event in his unique style of presentation. Participants enjoyed it and appreciated the event involving them in distinctive way. Finally all of them were presented with a unique gift-hamper.

The Workshop met an all round success and both BCC&I and IIMM Kolkata Branch have pledged to continue their bonding to collaborate for such knowledge sharing programme.

UDAIPUR BRANCH

Procurement Awards 2023 – 2024 Presented By IIMM Udaipur Branch : The second edition of "IIMMU Procurement Awards 2023-24" was organized by the Indian Institute of Materials Management, Udaipur at Hotel Bamboosa, Sajjanganh Road on 17th December

2023. The theme of the event was ²Impactful Green and Digital Transformation in Supply Chain Management System. Shri S.N. Modani, Chairman - Rajasthan Textile Mills Association and Vice Chairman - Sangam India Limited was the Chief Guest on the occasion. Shri Himanshu Ray Nagori -Retired Judge, District and Sessions Court and Shri Kiran Patil -Managing Director, Wonder Cement Limited were the Guest of Honour.

Other guests included Shri L.R. Meena – National President (Elect), IIMM, Shri Rakesh Rastogi – National Secretary & Treasurer (Elect) IIMM, CA Shri Ageet Kumar – Vice President (North), IIMM, Prof. Dr. Suresh Sharma - Joint President, CRIMM, Shri Pankaj Panchbhai Vice President West (Elect), IIMM and national councilors and members from other branches were also graced the occasion with their presence.

The event was well attended by IIMM-Udaipur Chairman -Shri Anil Mishra, Secretary -Shri PP Bhattacharya, Past Chairman -Shri DC Jhanwar, Convener & National Councillor -Smt. Priya Mogra, National Councillor Smt. Manisha Agrawal, Treasurer Mr. Anil Parikh, Executive Members, Permanent Advisors Shri PS Talesara and Shri VP Rathi, Past Presidents and professionals, Members of Udaipur branch and executives from the field of Materials and Supply Chain Management.



Shri Anil Mishra -Chairman, IIMM-Udaipur in his welcome address outlined the present and future supply chain management system and emphasized on the adoption of latest techniques of supply chain and waste management by the industries without harming the environment.

Shri L.R. Meena stressed on reducing dependence on fossil fuel and promoting other sources of energy. Shri Rakesh Rastogi said that in recognizing and honoring the best practices in the field of supply chain, these awards provide motivation to enhance the skills of professionals. CA Shri Ageet Kumar discussed about Green Supply Chain Management and Digital Transformation in his address. Professor Dr. Suresh Kumar Sharma told about the schemes released by the Government of India for research in the area of supply chain management.

Chief Guest of the program, Shri SN Modani emphasized the need of careful exploitation of natural

resources, balanced development in the race of development in his address. He also emphasized on adopting AI tools, IoT, digital technology and reducing waste for industrial production as well as environment protection. Shri Kiran Patil in his address said that technology has increased facilities but pollution has also increased along with it. The goal of industry should be to return the nature along with production. Shri Himanshu Rai Nagori said that industries should not only earn profit but also discharge their social, cultural and religious responsibilities.

National Councilor Ms. Priya Mogra while giving a brief overview of the award process, said that the Udaipur Branch has been actively engaged in conducting workshops, seminars and events of educational importance to augment professional competencies in the Supply Chain domain. In order to promote meritocracy, **Procurement Awards** was instituted for the professionals and future change-makers in this domain to showcase their prowess of best practices and accomplishments for which they are recognised individually in an annual event called ²Pspdvsnfou Axbsetj Uomjlf bxbset uhat felicitate organizations, the Procurement Award offers an opportunity to individuals only who demonstrate competency and proficiency, to showcase their accomplishments and good practices, which in turn could be imbibed by others in their respective workplace and through networking. In light of this backdrop, applications were invited from individuals of organizations from Rajasthan of varying magnitude in size and scale to participate in the Awards eligibility. These awards have been classified into large, medium and small sectors to make a proper analysis of talent. Two awards are declared for each category ie:

- (i) Procurement Excellence Award
- (ii) Supplier Collaboration & Innovation Award

She appraised the house about an event started This year called ²Fvuvsf Cibohf MblfstË bo article writing contest. Topics for the competition were:

- (1) The key benefits of SCM model analytics for your business and customers – Collaboration & Communication with other business functions.
- (2) Managing change and resistance to SCM innovation among your employees or customers.

This event is introduced with an objective of learning the best practices across the domain and to explore the capacity building of efficiencies in the value chain. She thanked that internal jury member Shri R.K. Daga who analyzed the applications received for the award.

The 3-member external jury panel constituted for these awards are Mr. Ashish Chhabra – Partner -Surjit Timber Traders, Mr. Sandeep Naolekar -Managing Director, Darling Pumps Pvt. Ltd., Dr. Rajesh Kumar, COO & Advisor -Genus Power Infrastructure. Out of all the applications received for the above awards Panel of Jury Members shortlisted the awardees after assessment and the best awardees were selected for the award.



During the awards ceremony, representatives of industrial establishments and business organizations who have done remarkable work in various fields in Rajasthan were honored by presenting trophies & certificates at “Procurement Awards 2023-2024”. The Souvenir of IIMM Udaipur was also unveiled on the occasion. The program was coordinated by Smt. Hasina Chakkiwala. Secretary Shri PP Bhattacharya thanked everyone with concluding remarks at the end of the program. He specially thanked the sponsors of the event viz : Wonder Cement Ltd. – Platinum Sponsor, JK Tyre & Industries – Golden Sponsor and Pyrotech – Tempsens Group – Associate Sponsor along with various other souvenir sponsors.

JAIPUR BRANCH

IIMM Jaipur branch has organized a seminar on 22nd December at hotel Bela Casa. The topic of the seminar was “India’s transformation: From Fragile Five in 2013 to Anti-Fragile in 2023”.



The program was anchored by Mr Sunil Goyal. Chairman Mr. P Khandelwal welcomed all the guests and explained about importance of IIMM and benefits of becoming IIMM member. The main speaker of the program was Mr. Amit Sharma CEO of Prabhat investment Services Jaipur. The presentation made by speaker was very impressive and appreciated by all the participants. The function was attended by more than 50 participants. And it was sponsored by Prabhat Investment services. The program was concluded by vote of thanks by Mr. AK Goyal and dinner by all the participants...

PUNE BRANCH

Pune Branch organized the 9th Annual Supply Chain Management Awards Ceremony on 9th December 2023,

at The O Hotel, Koregaon Park Pune. Mr. Harish Kumar Sharma, National President, Mr. Surendra Deodhar, National Secretary and Treasurer, Mr. K. R. Nair, VP West, Mr. Suhas Gawas, Chairman Pune branch and his team covering the executive committee members, former branch Chairmen and a galaxy of dignitaries for the industry, guests, academicians, well-wishers, sponsors, numbering to about 200 were present at the function.

A souvenir was also released to commemorate the occasion. The annual awards include recognizing the work of various companies in Manufacturing and Logistic sectors, Individuals, Organizations, and the Conferred Awards, through a jury selection process.

For **Best SCM practices in the manufacturing sector**, **Godrej & Boyce Mfg. Co.Ltd. (Godrej Lawkim Motors)** received the award in the **large enterprise category**. And **Suttatti Enterprises Pvt. Ltd.** was given the award in the **medium enterprise category**. **MRC logistics (India) Pvt. Ltd.** received the award for **Best Road Service Provider**.

Mr. Om Vijayvargiya of Schaeffler India Ltd was presented the **Supply Chain Leadership Excellence award**. **Bhartiya Sanskriti Darshan Trust**, which is integrated cancer treatment & research centre, was awarded the **Best Healthcare Organization**. **Dr. Pramod Chaudhari, Founder Chairman, Praj Industries Ltd**, was conferred with the **Lifetime Achievement Award**.

ICMR-National Institute of Virology (NIV), which has been playing pivotal role in research of viruses was conferred with the **Best Public Sector Organization**. The **Unsung Hero Award** was conferred on **EKansh Trust**, Founder Anita Iyer, whose main focus is on empowering people with disabilities and related issues.

To recognize the role of women in Supply Chain, (in an organization & an individual working in an organization), Pune branch instituted a new award category this year – **Women Contribution in Supply Chain**. **Esquire Healthcare and Logistics Pvt. Ltd, Pune (Organization)** and **Ms. Sharmila Kesarkar, Head-Supply Chain, Jehangir Hospital, Pune, (Individual)**, were presented with this award for their outstanding contribution in supply chain.

Kaizen Competition, the first of its kind organized by the Pune branch, received an overwhelming response from the Engineering, Automobile & Logistics sectors of industry. Many major corporates & MSMEs took part in this competition. The winners for the first three rankings were presented with cash prizes at the awards function.

Mr. Suhas Gawas, Chairman, Pune branch, in his welcome address said that Pune branch was one of the first branches to recognize the work of individuals and organizations for their excellence in supply chain. He appealed to the audience to be part of the IIMM family by taking membership to Pune branch.

The program concluded with some light moments of humour from Mr. K. R. Nair.



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SERVICING BRANCH

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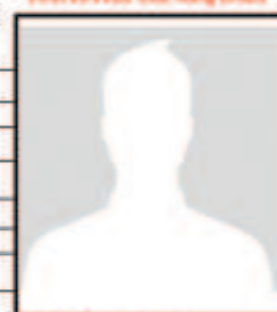
Educational Qualification _____

Work Experience (Start with present position)

(Please attach separate sheet where necessary)

Year	Year to	Position	Company / Organization

FOR OFFICE USE ONLY



PRELIMINARY FEES

Category	Entrance Fee	Annual Subscription
Life Member	Rs.500/-	Rs.12000/- (One Time)
Member	Rs.500/-	Rs.1000/- ★
★ Also can avail 5 years membership by paying Rs.4000/-		
Associate	Rs.500/-	Rs.500/-

Membership of any other Professional organization _____

Your Blood Group _____ Your Date of Birth _____

Where will you like to receive the IIMM mail: ☐ OFFICE ☐ HOME

UNDERTAKING

I wish apply for membership of the institute with appropriate status.

I certify that all information supplied in the application is true and correct.

I undertake to abide by all rules & regulations of IIMM as on date and to be revised in future

Eligibility: Associate:

Others: _____

Date: _____

Applicant's Signature _____

REFERENCE

(From IIMM Member / your immediate senior organization where worked / working who have a personal knowledge of IIMM.)

Signature **Referee** _____
Name: _____
Designation & Company _____
Mobile: _____
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BRANCH CHAIRMAN

Prepared by: Sanyal (IIMM) (Info Channel)

EXECUTIVE HEALTH

HOW LIVER HELPS TO REDUCE CHOLESTEROL

Many people I know who have high cholesterol get very careful about the amount of fat they are eating and in many cases they almost go on a fat free diet to get their LDL (bad cholesterol) under control, but yet after doing several such things they are not able to get their unbalanced cholesterol readings under control. A course of action which we all take is that if the cholesterol is high In the blood we stop eating foods containing fats or oils, if the sugar is high we replace sugar with an artificial sugar substitute. All these actions only help in managing the problem 50% and not more!

The reason is that we need to understand the body function and work along with it because all said and done body is not a box where you put in calories and remove substances and calories.

Liver has been given a lot of importance in all alternative system of medicines due to its vast range of functions which include maintaining the glow and complexion of your face, the hormones in the body, ensuring that the body throws out excess cholesterol, sugar etc from its system.

Since in this column we shall look at the how liver helps the cholesterol come down, we need to know how the cholesterol goes up and the role of liver in it.

Liver is the seat of digestion and all food after partial digestion from the intestine comes to the liver for further metabolism and assimilation. If the liver is good one has the digestive power to digest any food, but if the liver becomes weak then even the slightest of extra eating gives rise to many problems. There has been researches where they have studied populations in Africa who have red meat everyday, with no problems with their cholesterol and the African-Americans living in cities getting high cholesterol just eating red meat few days a week. The difference is due to the fact, that the liver of the second group faces a onslaught of food containing chemicals and pesticides, large quantities of alcohol, lack of healthy exercise and stress of living in a metro.

Now that we have figured that just by eating a low cholesterol diet it may not be the cure for reducing cholesterol in the blood, the next step is to detoxify

and strengthen the liver.

There are two aspects to liver health – the first is not eating or eating less of substances which have the potential to harm the liver, which may include alcohol, too many pain killers, or medications without the doctors knowledge or supervision, foods containing too many chemicals and junk foods the second is giving those foods and tonics to the liver which will lead to liver health, such substances are ———

- Aloe vera juice 2 tablespoons daily
- Amla juice , one amla a day
- Vegetable juice containing seasonal vegetables
- Fresh leafy vegetables soup like spinach soup etc
- Citrus fruits like oranges, sweet lime, lemons
- Barley water
- Brown rice
- Coconut water

These are only few of the things which impact the liver, there are several more things which one can do to improve the liver functioning and also manage several liver problems.

How to maintain weight and health during the festive season

During the festive season, the time begins for merriment, fun and rich food. This is the time when most people begin the period of indulgences which lasts almost till the New Year. The result of the indulgences is a rise in weight and a fall in health, though one can not avoid the festive binge, but if one can keep few aspects in mind then a lot of festive indulgences can be made enjoyable without compromising on health

Tips for the festive season

1. Increase the intake of water — Water is one of the best detoxifiers and surprisingly in our normal course we do not drink enough water. If we keep a bottle of water by our table side and make it a point to finish at least 2-3 bottles of water a day, it will be a great help to the system. Water flushes our intestines, liver and kidney, in almost all the Naturopathy or Ayurvedic treatments water is given in large quantities to cleanse and balance the system. Many people are not aware that water has

many minerals which make it an important part of the diet. In fact many diseases including heart disease is due to mineral deficiency in the system.

2. Increase the intake of fiber — fiber both soluble and insoluble is one of the most important aspects of cleansing, detoxifying and weight management strategies. If we have enough fiber in our diet we can control our weight, control serious diseases like cancers and chronic diseases like arthritis, colonic diseases. In almost all diseases, the nutrition therapy includes fibers as part of treatment. The kind of fibers one can take are wheat bran(1 Tsp a day), oat bran(1 teaspoon a day), plant fiber(4 cups of vegetables a day) fruit fiber(3 fruits a day)
3. Take 2 glasses of vegetable juices to fulfill the antioxidant, enzyme and vitamin requirement for the day. vegetable juices are actually medicinal in nature and they are capable of several cures besides detoxifying in nature. Vegetables like, bottle guard, pumpkin, tomato, cucumber, amla, aloe vera etc are wonderful as cleansers
4. For acidity take cabbage juice, 2 tablespoons daily. Its is rich in several elements which protect the intestinal lining and promote healing of gastric ulcers
5. Stretch the muscles, through Yoga, pilates, or any form of isotonic exercises
6. For women post 35 and men who consume alcohol regularly, Take vitamin B1 and B12 along with Vitamin C, regularly during the festive season to protect the nerves and the liver
7. Make 35% of the diet full of raw and fresh foods, for example in this season one can have fresh water chestnuts(singhara), barley grass, wheat grass juice, spirulina juice mxed with, curry patta, rose petals, tulsi leaves
8. Keep one day of the week for naturals oils rather refined oils. Natural oils are found in nuts, peanuts, olives. so one can have salads like boiled potato and corn salad with nuts, boiled white channa salad with olives, steamed sprout chat with anar and almonds. Potato and walnuts salads.

This is one of the best seasons to enjoy good food and Good health, provided one is aware and conscious, an aware living and being in present consciousness can be truly liberating.

Source: www.drshikha.com



Indian Institute of Materials Management

MISSION

- To promote professional excellence in Materials Management towards National Prosperity through sustainable development.

OBJECTIVE

- To secure a wider recognition of and promote the importance of efficient materials management in commercial and industrial undertakings.
- To safe guard and elevate the professional status of individuals engaged in materials management faculty.
- To constantly impart advanced professional knowledge and thus improve the skill of the person engaged in the materials management function.
- Propagate and promote among the members strict adherence to IIMM code and ethics.

CODE OF ETHICS

- To consider first the total interest of one's organisation in all transactions without impairing the dignity and responsibility of one's office :
- To buy without prejudice, seeking to obtain the maximum ultimate value for each rupee of expenditure.
- To subscribe and work for honesty and truth in buying and selling; to denounce all forms and manifestations of commercial bribery and to eschew anti-social practices.
- To accord a prompt and courteous reception so far as conditions will permit, to all who call up on legitimate business mission.
- To respect one's obligations and those of one's organisation consistent with good business practices.

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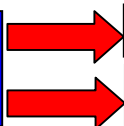
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Entrance Test at IIMM Branches for Admission - 21 January 2024

S. No.	Programmes	Approved	Eligibility	Duration
1.	Post Graduate Diploma in Materials Management (PGDMM)	AICTE	Graduate in any discipline from any Recognized University	2 Years
2.	Post Graduate Diploma in Logistics & SCM (PGDL&SCM)	AICTE	Graduate in any discipline from any Recognized University	2 Years

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For more information, please visit : www.iimm.org

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