

# Logistics policy to ensure seamless movement of goods

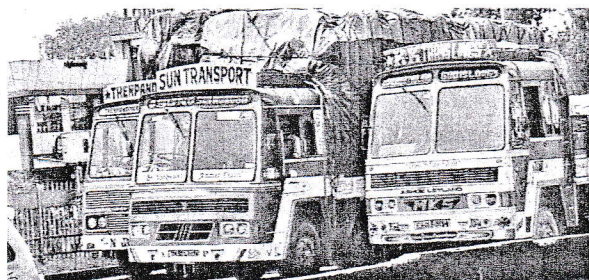
PM to announce the policy tomorrow; will be in alignment with the Gati Shakti plan

AMITI SEN

New Delhi, September 15

Prime Minister Narendra Modi will announce the national logistics policy on Saturday with a focus on seamless movement of goods across the country and a streamlined online interface. "The policy will be in alignment with the Prime Minister's ambitious Gati Shakti national master plan, which was launched last year to provide multi-modal connectivity infrastructure to various economic zones, and is in advanced stage of implementation," a person tracking the development told *BusinessLine*.

The larger aim of both the



Policy expected to increase ease of doing business for players

national logistics policy and Gati Shakti is to reduce the logistics cost in India from the present 13-14 per cent of GDP to below 10 per cent.

The policy will promote areas like process re-engineering, digitisation and multi-modal transport, and will create a single window e-logistics market focussing on generation of employment, skills and make MSMEs competitive, the source added.

By streamlining and strengthening the logistics sector, the policy will aim at in-

creasing the ease of doing business for players in the sector.

There will also be a push for integration of local supply chains with international supply chains, the source said. It will seek to clarify the roles of the Centre, States and key regulators.

## Market size

The logistics market provides employment to more than 22 million people and improving the sector will facilitate 10 per cent decrease in indirect logistics cost, leading to 5-8 per cent

growth in exports, according to government calculations. The size of the logistics sector is estimated at over \$200 billion.

So far, 196 critical infrastructure gap projects pertaining to port connectivity, and movement of coal, steel and food products have been identified as part of the Gati Shakti mission, on which the Network Planning Group is coordinating with the ministries concerned.

Based on recommendations of the NPG, respective commodity flows and trade volumes, user ministries are conducting complete audit of trunk infrastructure, logistics assets, utility network, etc. to identify project needs and develop a comprehensive multimodal connectivity plan, the source said.

PM GatiShakti National Master Plan is ready and available for infrastructure planning by all Central Ministries and State Governments.