# ENROUTE

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Changing Landscape of Logistics and Supply Chain Industry







# Changing Landscape of Logistics and Supply Chain in 2021

The current pandemic placed an unprecedented strain on supply chains globally, disrupting regional and international networks. As the world moves toward an uncertain stability, businesses worldwide have started analyzing this new landscape to apply the lessons they've learned. Creative pivots and operational adjustments have helped industries all across the world to get through various challenges that were brought in. With e-commerce gaining maximum significance in the 'New Normal', adapting to a dramatically altered supply chain and logistics landscape has become the only alternative. Further, the crisis has highlighted the urgent need for building a stronger and more relevant infrastructure that can not only withstand the unexpected disruptions of this scale but is also agile enough to help adopt and bounce back to efficiency almost immediately in the face of future conflicts.

During 2020 and mid-half of 2021, the Indian logistics and supply chain sector evolved from being a support sector to a high impact sector, growing at a rate of 10.7% CAGR (Source: ITLN). While the massive vaccination drive and of the other medical necessities like oxygen concentrators have already led the sector to evolve rapidly, it is now ready to take a giant leap in the coming years, driven by the following trends:



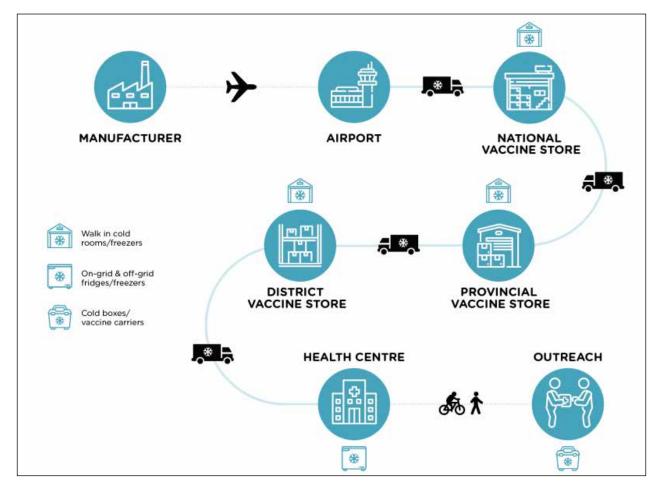




1. Adoption of Technology: This is one of the most evident developments that has largely been accelerated due to the pandemic and has highly impacted the sector in a number of ways. From advancement in warehouse management systems (WMS), the use of Robotic Process Automation (RPA), AI, ML and IoT for inventory management, tracking and order placements to routing schedules, all have drastically altered the logistics and supply chain operations, across the nation. The bar has been further raised by tech backed value-driven services such as drones utilized for light-weight goods delivery. While e-commerce and online grocery shopping with contactless deliveries and cashless payments are redefining consumer-facing logistics operations, cloud-based supply chain solutions are providing scalability and global reach.







2. Emphasis on Cold Supply Chain: The Indian cold supply chain sector is set to grow at a CAGR of 17-18%, till 2022 (Source: Indian Cold Chain Industry Outlook 2022), due to demand for cold storage, primarily driven by the pharma sector, especially the vaccine supply chain in early 2021, followed by requirements from seafood, meat and similar industries. At present, healthcare products hold a 3.6% share in the overall Indian cold chain market that is expected to grow around 6% by end of 2021 (Source: IMARC). The growing e-commerce market for FMCG, dairy, meat and fish, is also significantly contributing for the same.







**3. Growth in 3PL and 4PL providers as Manufacturing grows:** The Indian 3PL market is expected to register a growth rate of over 11.5% during the period of 2020-2025 (Source: Mordor Intelligence). In 2021, agility, speed and mobility are set to be the key goals for a robust supply chain network and preference of 3PL and 4PL service providers. With manufacturing sector setting the trend of adoption of 3PL and 4PL service providers, other sectors are also likely to benefit from outsourcing their supply chain management. The evolution of these service providers into key partners, offering expert, end to end solutions ranging from documentation, tracking, warehousing, legal compliance and even kitting at reasonable rates, has made them a lucrative choice for most businesses that are currently working on bouncing back from the financial crisis.



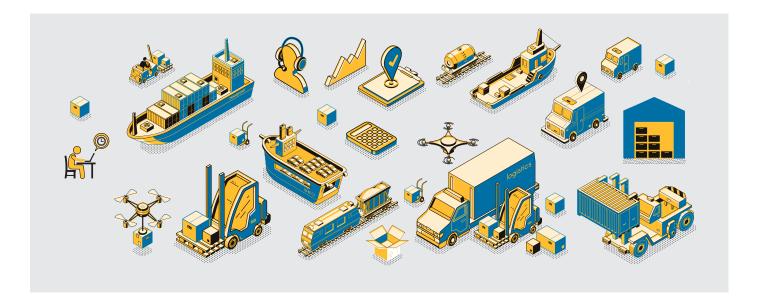




**4. Implementation of Sustainable Practices:** With the rise in demand for adoption of greener business operations – both in India and globally, a lot of logistics players in the sector are turning to eco-friendly and sustainable operations, that are smarter, technology-driven and cost-effective. From the use of electric vehicles and building smarter warehouses with energy-efficient systems, to creating greener cold supply chains and solar-powered temperature controlled units and opting for zero plastic packaging or reducing packaging waste through recycling, the logistics and supply chain sector is transforming rapidly from a high energy consumer and CO2 emitter to a more conscious and responsible sector.







- **5. Rise in Multi-modal Connectivity:** With hon'ble Prime Minister of India, Shri Narendra Modi's recent announcement about investing Rs.100 lakh crore in Gati Shakti Master Plan which will offer multi-modal connectivity to more than 1,200 industrial clusters, including two defence corridors across the country, reduced logistics cost and better connectivity is assured. Sectors like automobiles, e-commerce retail, farm and agriculture, healthcare, in particular are fueling the demand for multi-modal logistics.
- **6. Increase in Exports:** With the government bringing in many new policies like 'Zero Defects, Zero Effect', Indian market is gaining exposure to premium brands and industries in unconventional niches. This is leading to the boosting up of both foreign exports and domestic consumption.







**7. Growing opportunities for container manufacturers in India:** Slowing down of China-dominated manufacturing sector has brought in many opportunities for container manufacturers in India. The Indian container manufacturing industry is set to boom as they are now stepping up to fill the demand-supply gap in the global supply chain network. Particularly, with the government helping with policies and the availability of important production factors.

With the dips and highs in demand fluctuating to an extreme which wasn't seen by the industry in several decades, the industry struggled to adapt. However, logistics companies rose to the challenges and supply chain trends are now constantly evolving as they are interconnected with the growth of the market.





# **Opportunities in the 'New Normal'**

In the 'New Normal, the Indian logistics industry is rife with opportunities to grow and evolve.

## Please click on the image to watch the video







# **Case Study**

During the pandemic year, the modal shift has been substantial for TCI group through its joint venture with Container Corporation of India (CONCOR) - TCI CONCOR. The division offers its customers a reliable, efficient, cost effective & environmental friendly multimodal road-rail services. All types of trains, containerized and non-containerized, have been deployed whilst delivering the cargoes on an end-to-end basis. The services cover EXIM and domestic operations.

## **Green Logistics: GHG Emissions Reduced**

TCI CONCOR handled **end-to-end multimodal movement** and successfully delivered **30,000 MT** of Copper Sulphate in 966 TEUs for a leading minerals and metal company.

Please click on the video to watch how we saved 21,994 Tonnes of CO2 equivalent in terms of GHG emissions in the year 2020-21!!!



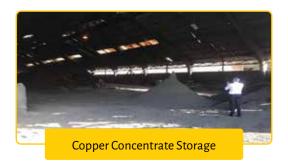
In transaction terms, we **moved 11.42 lac MT by Multimodal Trains** thus reducing a carbon footprint of 38,000 trucks which otherwise would have carried the same tonnage by road.





#### **Benefits**

- 1. Six-sigma level of operations
- 2. High-level of KPI & SLA Management
- 3. Control Tower offered end-to-end visibility
- 4. Safety

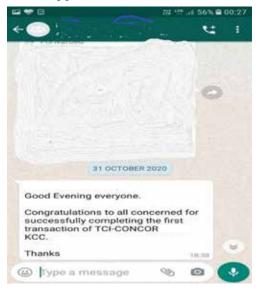








### **Client Appreciation**









# CORPORATE NEWS

# Mr. Vineet Agarwal, MD-TCI in a fireside chat with Mr. Rohit Bhayana, Lumis Partners at IAMAI's First Logistics Tech Conference 2021



Mr. Vineet Agarwal, MD - TCI was invited as a speaker at IAMAI's Logistics Tech Conference 2021 held on 28th July, 2021. He shed light upon "Innovation to make Supply Chains resilient and dynamic" in a fireside chat with Mr. Rohit Bhayana of Lumis Partners. He also emphasized on how supply chains need to be highly dynamic and should move away from predictability in order to go deep and maximize efficiency. More industries are now going for multimodal transport. The new trend in logistics is opting for lowest carbon emission. Being environmentally sustainable is good for the country.





# TCI Express Ltd. successfully delivered oxygen concentrators for UNPA

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TCI Express Ltd. successfully delivered Oxygen Concentrators for the United Nations Parliamentary Assembly (UNPA) at the residence of Dr. Raghu Sharma, Hon'ble Minister of Health and Family Welfare, Government of Rajasthan.

# TCI Foundation conducted awareness camps for truckers on COVID-19 management



Khushi clinics & TCI Foundation organized COVID-19 awareness camps for truckers across various locations. A Q&A session was conducted by the Khushi clinic team and various types of health games were held during the awareness programme. Masks and sanitizers were distributed among truck drivers and helpers during the campaign. Adoption of safer preventive behavior and practices through behavior change strategy was the key focus on spreading COVID-19 management awareness. The trucker population was equipped to spread the information and key messages related to hand wash, personal hygiene and social distancing.

# e-presence



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# TCI's health and safety programme

www.tcisafesafar.com





#### **Transport Corporation of India Limited**

TCI House, 69, Institutional Area, Sector 32, Gurugram-122 001

Tel: 0124-238 1603-07, Fax: 0124-238 1611

Email: corporate@tcil.com, Website: www.tcil.com

CIN: L70109TG1995PLC019116