

Logistics And Supply Chain Sector

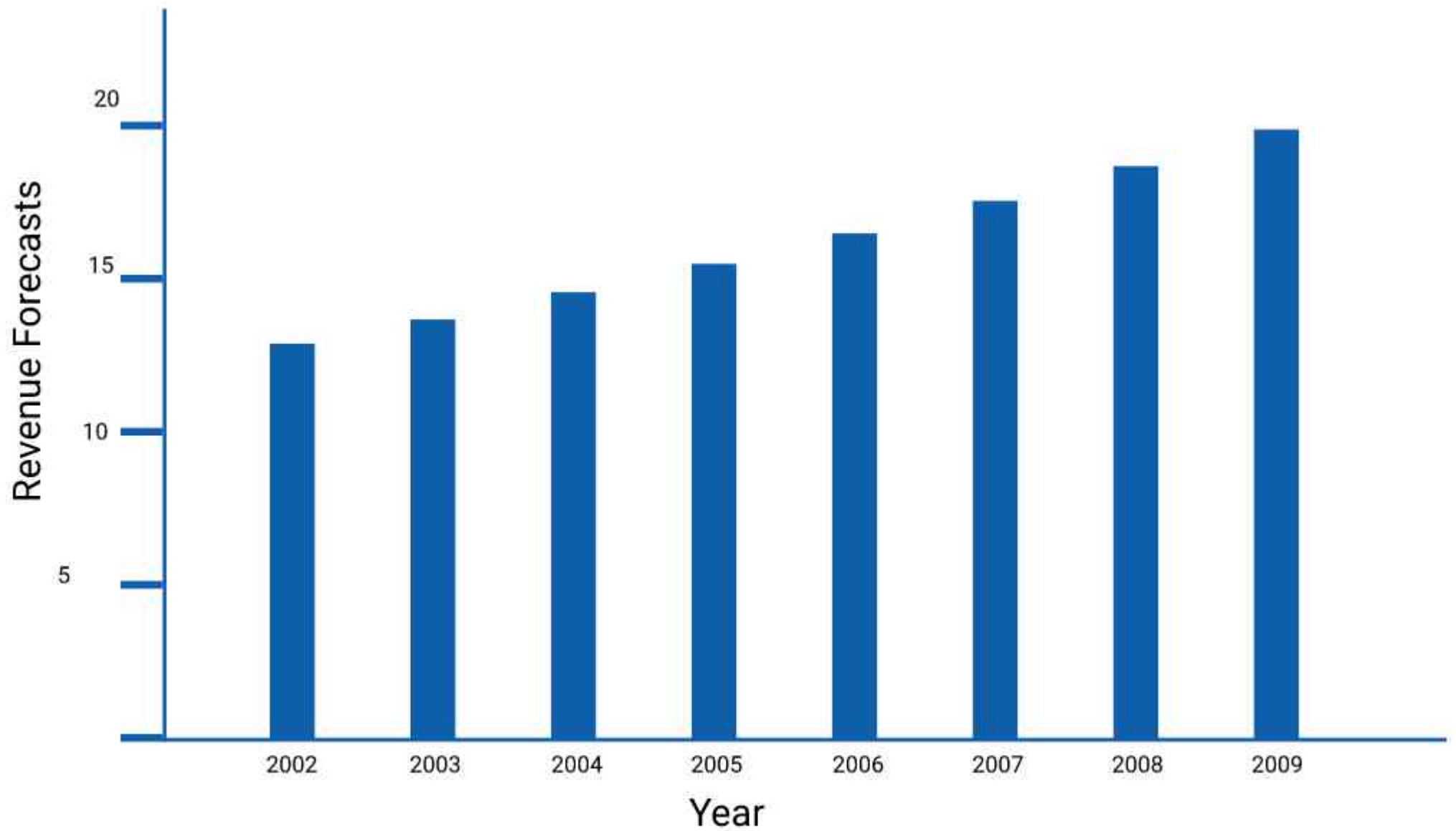


Introduction

When used in a business sense, logistics is the management of the flow of things between the point of origin and the point of consumption in order to meet requirements of customers or corporations. The resources managed in logistics can include physical items such as food, materials, animals, equipment, and liquids, as well as abstract items, such as time and information. The logistics of physical items usually involves the integration of information flow, material handling, production, packaging, inventory, transportation, and warehousing.

Supply chain management is the process of managing the movement of the raw materials and parts from the beginning of production through delivery to the consumer. In many organizations, operational supply chain decisions are made hundreds of times each day affecting how products are developed, manufactured, moved, and sold. The complexity of the supply chain varies with the size of the business and the intricacy and quantity of items manufactured, but most supply chains have elements in common





Revenue Forecasts 2002-2009

Indian Market



The Indian Logistics Market is estimated to grow at a CAGR of approximately 6% during the forecast period.

- India was ranked 54th in the logistics industry as per the global Logistics Performance Index in 2014. The ranking jumped to 35th in the year 2018. Multi-Modal Logistics Parks Policy (MMLPs) The MMLPs is a key policy initiative of the Government of India to improve the country's logistics sector. This initiative will lower freight costs, reduce vehicular pollution and congestion, and cut warehouse costs to promote domestic and global trade.

With about 1.2 crore total retail outlets in India out of 3 crores in the world, the industry is largely dependent on the first mile and last-mile logistics which is the spine for intra-city logistic movement. Apart from upgrading the existing ports, the government has also taken initiatives to develop six new ports. These locations were selected after conducting a detailed study and identifying the cargo flow for key commodities and the projected life. These ports are proposed to be developed at Vadhavan in Maharashtra, Tajpur in West Bengal, Paradip Outer Harbour in Odisha, Cuddalore/Sirkazhi in Tamil Nadu, Belikeri in Karnataka, and one more port in Enayam in Tamil Nadu, which is a transshipment port.

The presence of unorganized players in the Indian logistics industry leaves it fragmented, with organized players accounting for a mere 10% share of the total market. With the consumer base of the sector including a wide range of industries, like retail, automobile, telecom, pharmaceutical, and heavy industries, the logistics industry has been increasingly attracting investments in the last decade.

KEY PLAYERS



कॉनकॉर
CONCOR

Container

Corporation Of
India Ltd

all cargo
Allcargo
Logistics Ltd

Mahindra
Logistics Ltd



Transport

Corporation of
India Ltd



Aegis

Logistics Ltd

Container Corporation Of India Ltd

Container Corporation of India Ltd. (CONCOR), was incorporated in March 1988 under the Companies Act and commenced operation from November 1989 taking over the existing network of 7 ICDs from the Indian Railways. It is the Largest Logistic Companies in India in Terms of Sales in the Recent year A market leader having the largest network of 84 ICDs/CFs in India (75 terminals and 9 strategic tie-ups). In addition to providing inland transport by rail for containers, it has also expanded to cover the management of Ports, air cargo complexes and establishing cold-chain. It is the best logistics companies in India.

Allcargo Logistics Ltd

Allcargo is the global leader in LCL consolidation and India's first and Second largest integrated Logistic Companies in India, in the private sector. The Company creates services that are innovative and adaptable towards your supply chain needs.

Allcargo is a dynamic organization with a strong network of 300+ offices across 160+ countries through ECU Worldwide. It is second in the list of best logistics companies in India. `

Aegis Logistics Ltd

Aegis Logistics Ltd. was incorporated in 1956 and its shares have been listed on the Bombay Stock Exchange since 1978. Its shares also trade on the National Stock Exchange. It is the Third largest Logistic Companies in India in terms of revenue

Mahindra Logistics Ltd

Mahindra Logistics Ltd is one of India's largest 3PL solutions providers in the Indian logistics industry which was estimated at INR 6.40 trillion in Fiscal 2017, according to the CRISIL Report. The Company is a Port of Mahindra Group. In the Year 2000, Mahindra Logistics Ltd was formed with a focus on Rural Transportation.

Transport Corporation of India Ltd

Incorporated in 1958, as a "One Man, One Truck, One Office" company Further TCI has progressed within its division both internally and externally across boundaries to serve businesses among various industry verticals by being an intrinsic part of the customers' logistics process.

Equipped with highly advanced modern technology, encompassing various walks of life and fields of work and innovative business solutions. It is the among top 5 in the top 10 logistics companies in India 2019.

Business Opportunity



General Management

General management is a versatile field focusing on high level leadership as well as connecting the moving parts of a major organization together. The scope of positions within general management can vary greatly but are almost always focused on day-to-day operations and managing several teams working together.

Small Business Management

Successful small business owners are often required to manage the flow of goods and/or services through the supply chain. A degree in logistics can prepare you to manage these supply chain processes and the people who work in them.

Project Management

Project managers oversee and control company resources to achieve common goals in an effective, time-efficient manner. These managers work with employees and teams to motivate and organize them to accomplish the tasks at hand.

Operational Management

The field of operations management is aptly focused on production and business operations. Specialists analyze, control, and create systems and processes involved in the output of goods and services.

Growth

70%

LOGISTICS


BUSINESS
CHARCHA



- India is slowly on the path to achieving its dream of becoming an economic and logistical powerhouse with more and more investment in infrastructure and operational efficiency. Tech-driven integrated logistics are currently becoming an integrated part of the country. The warehouses in the country are currently equipped with many automated sorts and handlers and IoT devices. This helps in saving time in in-house logistic operations.
- As the global economy moved into the 21st Century, logistics became a critical part of supply chain management and consumer demand. In less than two decades, logistics management has influenced product movement to meet or exceed consumer demand. Companies saw they could lower costs and increase productivity by managing logistics on a system theory and managing the company as a whole to boost performance.
- Logistics within supply chain management is constantly changing to meet consumer demands. Consumers frequently order products using iPods, iPhones, Smartphones, and Tablets expecting to receive their product within 24-48 hours. To meet these expectations, companies have to improve the logistics of their supply chain to expedite order fulfillment and quickly ship the item via the most reliable, yet cost-effective and timely means. When companies create a blueprint that outlines the logistics of the supply chain, each component within that logistics model stays focused, reduces costs and moves quickly and efficiently resulting in higher customer satisfaction. Logistics helps companies understand the key metrics, core processes and long-term goals of their supply chain so they can get the right item to the right place at the right time.

How to start Business



- An entire dedicated team should be allotted for overlooking the supply chain management system of a company to ensure logistic run smoothly without any loopholes. This primarily is deemed as the outcome of intense planning in demand and production of the business product or service, for penning out a smooth logistical design of it. Production planning simply refers to the internal lead time that is considered in formulating the entire product, whereas demand planning refers to the customer's behaviour and aspirations from the market that drives the former. A smooth logistical operation relies on how well designed the course of action is along with the capability of the workforce to work efficiently in full sync with the rest of the business.
- Most manufacturers aim at creating the most optimum supply chain for their organizations. However, at times they lack the complete information they need to reach that goal. A very common challenge they face here is the lack of visibility into all supply chain costs, and most often only focus on some of the most obvious supplier- and transportation-related expenses.

- This limited view of the supply chain function's scope fails to consider other costs that organizations absorb internally, especially with regard to purchasing products and services. Since these internal costs can significantly increase the total cost of supply, manufacturers should have the right method to identify and quantify them to avoid making purchase decisions based on inaccurate or incomplete data.
- The first step in calculating total supply chain costs is to create the right context and an accurate format that can consolidate all cost factors. It is critical to identify relevant internal "issues" and translate them into their dollar values. These internal issues which could affect overall costs include physical occurrences, such as scrap rates, in-transit damage or quality improvement problems, operational issues, manual handling errors such as incorrect invoices, recurrent expediting of shipments, etc.
- One proven method for evaluating both internal and external issues is "unit total cost" (UTC). The unit total cost is defined as the unit purchase price amended by an appropriate monetary factor assigned to each issue. UTC helps give a clearer picture of what a specific source of supply actually costs and it is most useful when selecting or negotiating with suppliers. It also provides a context for all stakeholders to see the total picture of their organization's costs.
- The next step is to map out the manufacturing process flow and identify possible issues and quantify the costs associated with those issues. These costs are divided into "hard costs" and "soft costs." Hard costs involve an invoice or a direct cash outlay, which could include freight payments or inventory. Soft costs are those which utilize resources but have no direct cash outlay, however, they measure productivity.

LICENSING



- The ERP financial systems that process financial transactions must be separated (but integrated) with the entitlement management systems that fulfill the software and licenses (a corollary to a manufacturing system). This means that once an order is placed in a financial system, the information from the order should be passed in an entitlement management system. It is in this system where software bits and license keys are fulfilled (or applied) either in the manufacturing process, or, in the field. Rules in the entitlement management system allow administrative processes such as software downloads, license key downloads, and moves/changes to be managed through a self-serve portal without overloading the ERP financial systems.

- In addition, an effective entitlement management system allows the integration of multiple key generators into a single process (single integration with ERP and a single customer self-serve portal), to provide a single platform for acquisition of more companies that deliver software and license keys. The entitlement management system becomes the system-of-record for the deployment and location of software and license keys.
- In cases where license keys are locked to a device ID, a "late binding" strategy should be used. Device ID's that are required as part of the process to generate a license key should only be required at the time the license keys are generated either in manufacturing (for "configure to order" processes), or, in the field (for "up-sell" or "change" orders). The way this process should work is that once an order has been entered and approved in an ERP system, the contents of the order will be sent to the entitlement management system. Immediately following, a notification will be sent to an internal or external resource to generate the license keys (this notification can be the revenue recognition trigger in many cases). The person receiving the notification will then provide the Device ID and generate the license key. The Device ID information should not be required at the time the order is placed. The Device ID information is a burden for ERP systems to manage, and, is often inaccurate because the person at the customer site who creates the purchase order, probably doesn't have the accurate Device ID information. As a result, orders are delayed, or, \$0 orders are created to modify the order to provide an accurate Device ID.
- If you are a high-tech device manufacturer looking to sell more software, be sure that your supply chain and processes are software and license key ready.

GOVERNMENT SCHEMES

- The Rs 1.46-lakh crore PLI scheme is expected to make India an integral part of the global supply chain and create huge
- employment opportunities. The production-linked incentive (PLI) scheme was recently expanded to 10 sectors, after
- registering traction from global investors in the mobile manufacturing segment.
- The government in the Survey said the scheme will make "Indian manufacturers globally competitive, attract investment
- in the areas of core competency and cutting-edge technology."
- It added that the scheme will also establish backward linkages with the MSME sector in the country, which, in turn, "will
- lead to more inclusive growth and create huge employment opportunities".
- The scheme was launched to boost manufacturing in the country and make it self-reliant.
- Some other sectors included under PLI are advance cell chemistry battery (Rs 18,100 crore), electronic and technology
- products (Rs 5,000 crore), pharmaceutical drugs (Rs 15,000 crore), and telecom and network products (Rs 12,195 crore).
- Textile products (Rs 10,683 crore), food products (Rs 10,900 crore), high efficiency solar PV modules (Rs 4,500 crore),
- white goods (Rs 6,238 crore) and specialty steel (Rs 6,322 crore) are also included in the scheme.

Colleges

- School of Business, University of Petroleum and Energy Studies, Dehradun
- Royvale Institution
- Amity University Online
- DY Patil University Online
- NMIMS Global Access School For Continuing Education
- Michigan University
- Presidency University, Bangalore
- Amity Business School, Noida
- BK School of Business Management, Gujarat University, Ahmedabad
- GITAM Institute of Management, Visakhapatnam

Association in this sector

**ASSOCIATION FOR MANUFACTURING
EXCELLENCE (AME)**

**ASSOCIATION FOR SUPPLY CHAIN
MANAGEMENT (ASCM)**

**CHARTERED INSTITUTE OF
PURCHASING & SUPPLY (CIPS)**

**CHARTERED INSTITUTE OF
LOGISTICS AND TRANSPORT (CILT)**

**INTERNATIONAL SOCIETY OF SIX
SIGMA PROFESSIONALS (ISSSP)**

INSTITUTE FOR SUPPLY MANAGEMENT (ISM)