

Unified logistics platform to cut cost, boost ease of business

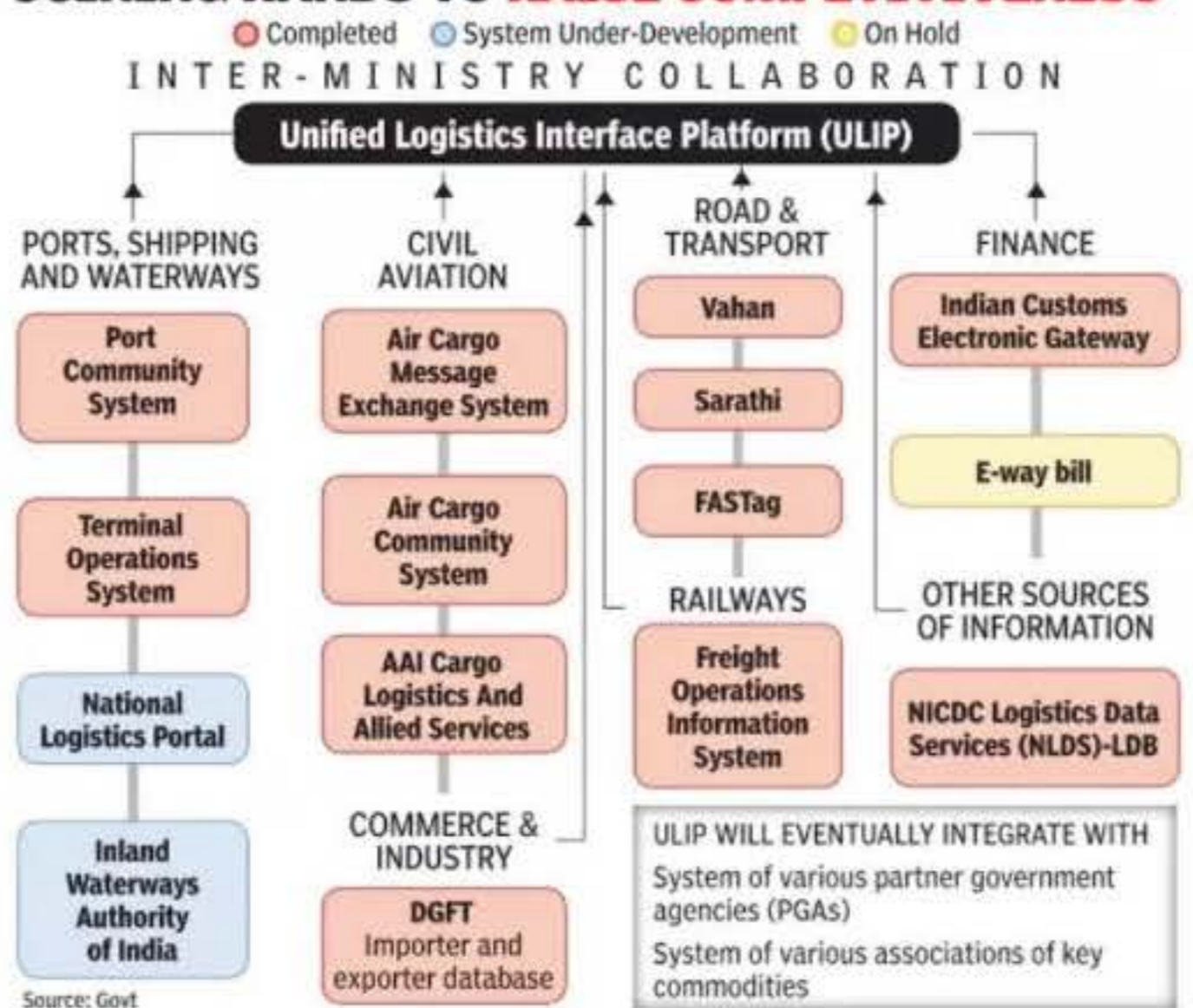
TNN | Feb 17, 2022, 07.28 AM IST



NEW DELHI: The Centre will soon roll out the Unified Logistics Interface Platform (ULIP) to drastically reduce logistics costs and make Indian goods competitive, integrating about 24 logistics systems across six ministries and departments to provide real-time data and fill a critical gap for efficient movement of goods through different modes.

Finance minister Nirmala Sitharaman, in her Budget speech, referred to the ULIP platform, which she said will reduce logistics cost and time, assisting just-in-time inventory management, and in eliminating tedious documentation. Most importantly, this will provide real-time information to all stakeholders, and improve international competitiveness, the FM said.

JOINING HANDS TO RAISE COMPETITIVENESS



The platform aims to break silos and is in line with the PM Gati Shakti programme. It promotes integration among various ministries such as ports & shipping, railways, civil aviation, road transport & highways, finance ministry and other sources. This will integrate information available with various ministries and government agencies across the entire value chain. It will also serve as a nationwide single-window logistics platform for end-to-end visibility for efficient movement of goods.

The platform can be utilised by various government and private agencies, service providers, industry bodies, enterprises and startups to enable exchange of information on a real-time basis, ranging from cost to availability of containers and vacancy at ports, among other critical information. Various authentication and e-locker services of the Centre such as Aadhaar, PAN, GSTN and Digi-locker will also be integrated into the platform for faster clearances.

“It will be an open and secure delivery platform, there will be interoperability, there will be scalability, security and accountability for data exchange. A private sector will then be able to clearly find out whether they should use road, rail, which container depot, logistics hub, ports and the time framework for sending their goods,” said Amitabh Kant, CEO of government think-tank Niti Aayog, spearheading the project.

“Every player in the value chain will compete with each other to bring down the costs. This will be one of the path-breaking initiatives to bring down the cost of logistics in India. There will be unified documentation and all data will be available on a real time basis. This will be way beyond UPI for logistics,” said Kant, pointing to the potential of the platform.

Once information exchange within the system is set up, ULIP is likely to develop a unified documentation and reference system for the logistics sector. Through this interface, the platform will be able to bring all processes linked to requests, compliances, certifications, approvals, feedback of all the ministries under one umbrella. The official says this will help cut logistics costs, help India in improving its ranking in competitive indices and promote ease of doing business.

Logistics costs in India are high, accounting for 14% of GDP. Transportation and inventory costs account for more than 90% of these costs. These high costs are, in part, a result of low logistics efficiency due to a fragmented market, lack of standardised trucking assets, old vehicles and obsolete warehousing technologies, according to data available with Niti Aayog. This hurts the competitiveness of the country’s exports and overall industry.