

GatiShakti logistics and supply chain network to boost India's economy: Som Parkash, MoS for Commerce & Industry

The States and the Union Territories of the country are extensively using the PM GatiShakti approach for planning connectivity to Industrial regions; for deciding on location of social infrastructure assets, such as schools, hospitals, etc. the Minister said.



Agencies

Updated On Jul 29, 2023 at 11:05 AM IST



The States and the Union Territories of the country are extensively using the PM GatiShakti approach for planning connectivity to Industrial regions; for deciding on location of social infrastructure assets, such as schools, hospitals, etc., the minister said.

New Delhi: Prime Minister (PM) Gati Shakti, also known as National Master Plan for Multi-modal Connectivity, aims to build a well-developed logistics and supply chain network in the country. The megaproject provides competitive advantage for manufacturing in India. It will allow goods to flow seamlessly across borders and increase access to global markets, Som Parkash, Union Minister of State for Commerce & Industry told the National Conference on 'Gati Shakti-Boosting connectivity for New India: Logistics – Warehousing - Supply Chain', organised by the Associated Chambers of Commerce and Industry of India (ASSOCHAM).

The States and the Union Territories of the country are extensively using the PM GatiShakti approach for planning connectivity to Industrial regions; for deciding on location of social infrastructure assets, such as schools, hospitals, etc., the minister said.

"The National Logistics Policy aims to bring efficiency in logistics services and human resources, to reduce the cost of logistics, improve India's ranking in Logistics Performance Index, and enable data-driven decision support mechanism for an efficient logistics ecosystem. This is a strong indicator of India's global positioning, with this development being powered by the government's focus on reforms for improving logistics infrastructure through PM GatiShakti and National Logistics Policy," Som Prakash said.

Rajesh Pandit, Managing Director, GWS India, PM - India, Middle East, Southeast Asia and North Africa, and CBRE, said, "As the Gati Shakti Master Plan unfolds, its core focus on enhancing logistical efficiency and strengthening connectivity is expected to drive strategic growth nationwide. Subsequently, as logistics infrastructure improves, there will be a surge in demand for warehousing, distribution centers, and industrial parks, presenting compelling opportunities for mixed-use developments and retail spaces. The plan's concerted efforts to enhance multi-model connectivity will unlock the untapped potential, fostering inclusive economic growth and propelling India towards a promising future. Beyond its transformative impact on infrastructure and logistics, the Gati Shakti Master Plan also holds the potential to significantly increase employment opportunities across the country. As the plan forges ahead, CBRE, wholeheartedly supports the government's Gati Shakti initiative and is committed to contributing to its resounding success".

Hitender Mehta, Co-Chair, National Council on SEZs, Industrial Parks and Warehousing, ASSOCHAM, said logistics and supply chain management play a major role in the economy and market demands. Various initiatives and release of National Logistics policy by PM are some milestones to bring down the logistics cost to 7-8% and increase ease of doing business. These will reduce the course of transactions and lead a strong logistics support system and simplify the business.

Yuvraj Sharma, Cluster Head – Sales & Marketing India, Sri Lanka and Maldives, Kuehne+Nagel Group, said, the Indian logistics market is expected to be close to USD 425 million and with a growth rate of 8.5% in the next 17 years. He highlighted that the biggest superpower under Gati Shakti is the visibility of cargo and waterway navigation.

Lt. Col. Jitender Yadav, Founder, Pragati Group, said India has risen 6 points in world logistics performance index. Point of concern of the logistic course is that it is 15% higher comparatively to a developed nation with 7%-8%. Warehousing sector development faces problems like land acquisition and land costs.

Christian Kapfensteiner, Director, Sustainable Urban and Industrial Development, Deutsche Gesellschaft für technische Zusammenarbeit (GIZ) GmbH, India, said multimodal connectivity should be implemented to develop infrastructure to reduce logistics cost. Larger focus should be on Digitalization, Connectivity, Delivery Time, Tax incentives, and Skill development to sustain the sector.

A joint Knowledge report was released by ASSOCHAM and CBRE on the theme 'Gati Shakti: Boosting Connectivity for New India'.