

INDIAN LOGISTICS INDUSTRY EXPECTED TO GROW AT 11% CAGR

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The Indian logistics industry is expected to grow at an impressive CAGR of 11%, reaching a size of USD 468 billion by FY2027. With a 500% increase in budget allocation since 2014, road infrastructure has seen remarkable improvements, potentially saving up to INR 4.8 trillion annually in logistics costs.

Rail freight loading has grown steadily, reaching 1,591 million tonnes in FY2024, with dedicated freight corridors enhancing operational efficiency.

The Indian air cargo industry recorded a robust CAGR of 23% from FY2021 to FY2023, overcoming pandemic challenges.

Major ports handled 819 million metric tonnes of cargo traffic in FY2024, marking a 7% CAGR growth between FY2021 and FY2024.

The adoption of digital technologies like RFID, GPS, IoT, and AI is boosting operational efficiency and reducing costs. The logistics sector is a major employment generator, currently providing livelihoods to over 22 million people, with a projection to add 10 million new jobs by 2027.

India's rank in the World Bank's Global Logistics Performance Index improved to 38 in 2023, aiming to break into the top 25 ranks by 2030. Policies such as the E-way bill system, PM GatiShakti National Master Plan, and the National Logistics Policy are significantly transforming the logistics landscape.