

CILT INDIA – Vision Document and Business Plan

1.0 VISION:

It is our vision to become the First Choice Professional Body for Supply Chain, Logistics and Transport in India. To become a premier knowledge sharing platform we indulge in activities like seminars, conferences, weekend training programs, on-line certification programs and accreditation of institutes in the field of logistics and transport. In this way we will be aligning with the goals of CILT International of – “Creating the pathway to be the leading professional organization for all in Supply Chain, Logistics and Transport.”

2.0 BACKGROUND:

India spends around 14.4% of its GDP on logistics and transportation as compared to less than 8% spent by the other developing countries. With the decision of the Central Government to increase investments in transportation and logistics sectors of the economy and the passage of the GST Bill it augurs well for the costs in overall logistics to drop significantly. The logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement to the warehouses from the different manufacturing plants, on the one hand and form the warehouses on the other end to wholesale outlets, retail outlets and the various POS.

2.1 **Indian logistics market is expected to grow at a CAGR of 12.17% by 2020** driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors. The **warehouse market in India is expected to grow at a CAGR of 10% whereas freight forwarding market is expected to grow at a CAGR of 12% till 2020.**

2.2 The logistics firms are moving from a traditional setup to the integration of IT and technology to their operations to reduce the costs incurred as well as to meet the service demands. The industry as a whole has moved from being just service provider to the position where they provide end to end supply chain solutions to their customers.

3.3 CHALLENGES:

3.1 Poor Infrastructure

One of the major critical challenges faced by companies today is of insufficient integration of transport networks, through information technology (IT), with warehousing packaging and distribution facilities. Regulations exist at a number of different tiers, imposed by national, regional and local authorities. Which often differ from city to city, hindering the creation of national networks. There is a lack of IT and poor systems integration at different operational levels. Poor facilities and management systems in the warehouse sector are to blame for high levels of loss, damage and deterioration of goods, especially in the perishables sector. Part of the problem is insufficient specialist equipment, including proper refrigerated storage and containers. Lack of trained personnel compounds

3.2 Trained Manpower

Trained Manpower in both the third party logistics sector and the manufacturing and retailing sectors is very weak at the working level, as well as at a higher strategic level. The disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall in skilled management and client service personnel.

3.3 **Lack of research and development (R & D) in the industry** is another area of weakness in the industry could be identified and improved.

4.0. **Strategies to meet these challenges:**

4.1 Particular focus needs to be given on building world-class road networks, integrated rail corridors, modern cargo facilities at airports and creation of state of the art logistics parks with accompanying storage and Warehousing facilities

4.2 Overcoming the skill gap in Indian logistics industry requires establishing world-class training institutions. It is also necessary for the industry to realize the benefits of adopting best practice in logistics which can enhance the overall service quality of the sector. Gaps in training have to be filled not only at the entry level but also in the management cadre which could be made possible through specialized graduation and post graduation courses focused on Transport and logistics Operations and Supply Chain management areas.

4.3 Encouraging Research and Development (R&D) is essential mainly because it encourages the use of technology which can make the industry cost competitive. Particular focus needs to be given on research in process excellence which can help eliminate inefficiencies and upgrade bring Indian logistics sector to International standards.

5.0 **ROLE OF CILT INDIA:**

5.1 Growth of the Indian logistics sector depends on the growth of its soft infrastructure through education and training and evolves a facilitating policy framework. To support India's fast growing paced economy growth of logistics industry is very essential. It is estimated that the Indian logistics sector has the potential to show robust growth of 10-15% annually. CILT (India) would actively work

5.2 Gaps in training will be filled by CILT India by providing training not only at the entry level but also in the management cadre of the logistics Industry which could be made possible through specialized graduation and post graduation certificate and diploma courses focused on Transportation, Logistics Operations and Supply Chain management. Industry would be encouraged to prioritize research and development so that weaknesses in this vital area are addressed.

6.0 **Business plan of CILT(India)**

A three pronged approach on **Growth, Capacity Building and Governance** has been incorporated in the Business Plan of CILT India.

6.1 **GROWTH:**

1. CILT India will provide a **platform for open dialogue and idea sharing** between Government, Indian and Global corporate house and Logistics service Providers, on contemporary topics and issues related to Logistics and Transport. This will also help to increase visibility and enhance membership of our organisation.

2. CILT India will extend its whole hearted support to governmental efforts to improve the efficiency of the Indian logistics and transport sector including all modes of transport- Roads, Ports, Rail, Inland Waterways and Air transport.
3. CILT India would generate revenue from increasing Life membership, through its training programmes and organisation of seminars & conference, Accreditation of Institutes, Annual membership of Trainees in the various Accredited Training Institutes has been made obligatory.
4. CILT India plans to open Regional Chapters in East, West and south India to give it a national character.

6.2 CAPACITY BUILDING. The focus areas will be to secure all round growth in the same area

MEMBERSHIP -

1. CILT India has enrolled more than 50 Life members in the current financial year so far and the numbers are growing.
2. A CILT India Chapter in East India at Kolkatta has been setup and an MOU has already been signed.
3. Five accredited institutes are enrolling trainees who will become annual members of CILT India.
4. Three more applications are in the process for accreditation of Institutes in Delhi, Mumbai and Sura t.

6.3 EDUCATION & TRAINING -

- 1 CILT India plans to craft an **exclusive course material** relevant to Indian requirements, to create uniformity in teaching standards, Work is in progress for crafting a CILT India Diploma Course in Logistics and Supply Chain Management, which will eventually be used by all the accredited institutes.
- 2 A weekend program for working professionals (mid level) is being launched in October 2016.
- 3 Another online Certificate, Diploma and PG Diploma course is being developed through a tripartite agreement between CILT India, Empower school of Health and PKG consultants, which is expected to be launched by December 2016.
- 4 Two conferences have already been organized:
 - India Multi Modal Logistics Summit 2016 (19-20-21May 2016) mainly focussing on “ Emergence of New logistics Modes for building a robust multimodal network enabling success of a key mission area of the Central Govt Make in India.”. In this conference researched views about the latest development in the multimodal industry, the best practices in planning transport networks, identifying the optimal inter-modal mix between road and rail were covered.
 - “Transforming the Railways as an Integrated Logistics Provider” (16-17september 2016) brought out issues on how the relative strengths of the Railway waterways and the highway modes of transport could be leveraged through the hub-and –spoke strategy to reduce overall logistics costs for business and industry. It also deliberated on how the rail share could be raised by enlarging its freight basket to include non-bulk commodities including parcel traffic , white goods and FMCG items besides the core bulk goods traffic . A session each on “People Logistics” relating to passenger segment and the impact of GST Bill o Transport and Logistics and Sector was also a popular drawn

6.4 **GOVERNANCE AREAS**

- 6.4.1 Efforts are being made to create synergy by integrating with sister organizations like Institute of Rail Transport (IRT), Centre for Transportation Research and Management (CTRAM) and The Entrepreneurship School.
 - 6.4.2 Our Secretarial support would be strengthened by pooling the resources available within CILT and the organizations like IRT, CTRAM and Entrepreneurship School over the three year period ending 2017-2020
- 7.0 Detailed Financials of the Business Plan and activities during 2016-17 so far are enclosed as Annexure.