

# Indian logistics during Covid-19 pandemic - The journey from resilience to rebound



## TECHNOLOGY

19 SEP, 2020 . 5 MINUTES READ

It would not be an exaggeration to say that the effects of Covid-19 would drastically change the way we strategize, execute and grow our businesses. The economical, social and political impact of the pandemic will be felt wide and deep. The imminent changes in consumer behaviour will lead to changes in the way the world around us functions. A lot of companies will actively realign their supply chain network and drive lean operations based on the principles of transparency, predictability and agility across the globe.

In the Indian context, this offers a unique opportunity for players in the logistics sector to up the game and emerge as an enabler of stability and growth, domestically as well as internationally. This is because our sector has the potential to augment all other sectors by reducing logistics costs through lean operations and digital technologies, eventually turning Indian products more price competitive.

During the nation-wide lockdown due to the pandemic, Indian logistics industry has played a critical role in ensuring timely

delivery of essential commodities across the country. The industry is vigilantly bearing the responsibility of keeping in check the safety and security of its frontline staff. At the same time, our sector's operational inadequacies are exposed and visible now more than ever. The sector continues to be highly fragmented with unorganized players accounting for ~90% of the total market share. A large part of their operations are riddled with inefficiencies which makes it doubly difficult for them to counter challenging times like these. Our industry continues to struggle due to a wide variety of challenges:

### **1. Skilled personnel**

There is an acute shortage of skilled personnel and specialists in our sector. In a crisis situation such as the current one, a highly capable workforce with a deep understanding of logistical operations could make all the difference.

### **2. Standardization**

As the industry remains fragmented, it also lacks standardization in processes and performance standards which makes it difficult to ensure effective sharing of network and resources when required.

### **3. Digital infrastructure**

There is a rising but gradual transition to new digital technologies for a range of operations like e-billing, digital booking, LR, POD, among many more. However, most service providers are not equipped to offer seamless and consistent digitized services to their customers.

### **4. Real-time visibility**

There is a general lack of visibility and transparency in terms of providing real-time updates, status of deliveries, etc. which is essential to ensure that bottlenecks are resolved on priority with the help of dynamic planning.

## **Our response so far**

Covid-19 has thrown additional challenges for our industry. In addition to being resilient in the face of crisis, there is an urgency to rethink and reimagine our operating models in order to emerge stronger in the period following it. At Varuna, we have prioritised developing people, technological and process capabilities. This has enabled us to mitigate the risks and challenges posed by the pandemic. Below, we list some of the critical measures we have taken to not only combat Covid-19 but to also emerge as a reliable partner to our clients:

### **1. Safety of our people and goods**

We have adopted a strong stance on implementation and compliance of health and safety measures across the organization. We have enabled flexible working arrangements to encourage social distancing. Additionally, ensuring proper hygiene standards and sanitation of goods is being prioritised while factoring in the necessary measures of

sanitizing sites and warehouses.

## **2. Workforce training**

We are providing adequate training on relevant health & hygiene measures to our workforce and making it a part of mandatory compliance. To ensure timely deliveries and serve our customers better, we have trained our workforce in learning the principles of agility and laid down a plan to ensure quick adoption of technological measures to enable the same.

## **3. Digital capabilities**

Varuna has been using technology to bring real time visibility and transparency to our clients. However, the ongoing situation emphasizes the need to further enhance our digital capabilities. We are leveraging technology to reduce human touch-points in daily transactions. We run lean operations, keep a real-time check on the movement of vehicles and ensure preventive steps like zero-touch interactions. By continually activating integrations such as digitizing booking, e-LR, e-POD, and e-billing, we are reducing the risks of Covid-19 transmission posed by human interaction and paperwork, while also bringing greater transparency and lowering our customer's carbon footprint.

## **4. Organizational restructuring**

We have restructured our organizational processes and systems to respond faster to the rapidly changing environment around us. We have prioritized development of our technological capabilities, brought in agility in internal reporting structures and taken measures to reduce costs where possible. We believe some of these changes will further strengthen our position to serve our clients as the market rebounds to normal levels in the months to come.

# **Looking forward**

In order to stay ahead, we need to further look at leveraging the power of next gen technologies like Artificial Intelligence (AI), machine learning, blockchain and IoT to solve the challenges of forecasting and routing. We need to transition to a crisis-proof model by planning in advance, business continuity measures for future pandemics and other such large scale disruptions. We would like to call upon all leaders in the logistics industry to collaborate on the challenges faced by our industry. It is now time for Indian logistics to take the next big leap and play an integral role in helping our economy make a swift and strong recovery.

*Is your supply chain bearing the brunt of the pandemic? Get in touch with our experts today to understand how you can get it up and running for the long haul. Drop an email to [info@varuna.net](mailto:info@varuna.net) or call 0124-2373214.*