

value of Rs.50 crore or Rs.100 crore single piece, factoring of costs, related to value of goods, risk profiling, apart from routine variable costs, and idling time need to be taken before the LSP thinks

to embark on another successful venture. Sharing of capacities, good networking, complementary approach will save lots of excess capacities and save mobilizing costs for every one.

## Going beyond transportation



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We are yet to see more demanding and competitive focus on logistics due to growing customer expectations and capabilities of

organised logistics companies to provide the services as required by customer for enhanced serviceable and cost optimization in time to come.

The demand for logistics services has been largely driven by the remarkable growth and the credit goes definitely to the customers and their varied demands. Logistics players are realizing the potential in the outsourced logistics market and are expanding their range of activities to include value added services and customized supply chain management solutions. Companies, which want to grow along with the robust economic pace, should be ready

with the best available resources to handle the business opportunities arising due to consolidation.

The logistics industry has grown rapidly in the last decade and various factors such as initiatives taken by government, improved service offering with value added services, usage of information technology etc. have contributed to this growth. Today the scenario is changing for logistics business and people are moving ahead of mere transportation to just in time solution, online inventories etc.

So, basic focus area of companies should be now to give flexibility to operations and adding more services to their portfolio. We feel that customer have to be more analytical is selecting a logistics provider for a long-term business relationship and improvement through our the value chain. With the strong outlook of customers and growing opportunity I see logistics a major growth driver for the economy.

load must not restrict but promote air infiltration around the goods. Consequently shoulder vents, side vents (or Jaali type crates) become important in this supply chain. Application of specially designed unitised packaging aids in minimises handling damage. It requires perforce, the application of hygiene and traceability norms, leading to a brand value added in terms of quality and regulatory compliance.

Furthermore, the cold-chain is essentially about speed. A product must reach the consumer well within is marketable life and without transit losses; haste becomes one of the most crucial aspect in perishable distribution. The ordinary supply chain delivers a predetermined value (goods) to markets... whereas; the cold chain is integral to and effects the value discovery, quality and price realisation of the goods. The fact being, the cold chain incorporates all that the ordinary supply chain aspires towards – integration, speed, value continuation and direct supply lanes.

The future hinges upon intrinsic understanding of above concepts, among others, in reference to driving the cold chain. In my opinion, the realisation of the true value derived from cold chain is yet unstated. Our infrastructure will take a long while to keep pace with developing and demanding India. With distance alone not being the sole bottleneck for perishables – even entry access into metros takes many hours and crossing barriers adds further time delays – the cold chain takes on even more import, as it alone would allow suitable extension of transit life (time).

Regulatory norms are forthcoming both in the live perishable and pharmaceutical space which will further spoon the need for the cold chain. The pharmaceutical industry will have increasingly bulk shipments with primary, secondary and tertiary packaging changes, all with temperature controlled transits in mind. FDI into retail (inevitable in coming years), will also fuel need for an optimal cold chain, based on a long term vision for sustainable quality supply chains.

*(Log on to [www.logisticstimes.net](http://www.logisticstimes.net) to read complete text.)*

## Consolidation game



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The cold chain is a much bandied about business proposition in India, attracting ever burgeoning attention over the past decade. It has

typically been associated with securing national food supply, reducing wastage and with an energy intensive technology. Despite fetching increasing focus driven by the government, its ground manifestation is limited.

The cold chain industry is understood differently by various pronouncers of the trade. Most people, including some of those driving this from within the government,

presume the “cold chain” implies solely temperature controlled storage or carriage of goods. This automatically pre-supposes that the application of refrigeration is the singular differentiator. In reality the cold chain is a misnomer derived from “Cold SUPPLY CHAIN”; and like any supply chain, the production process, packaging criteria and delivery & distribution mechanism is particular to the cold chain. Hence the benefits perceived from the cold chain are not just limited to those derived through application of cooling, but additionally those due to inherent procedural changes it enforces across the entire supply chain process.

For example, the cold chain is dependent on air flow patterns; hence the unit