

LOGISTICS FIRM SUGGESTS PERMIT TO UNLOAD CARGOES AT DESTINATIONS

The nation-wide lockdown to mitigate the outbreak of COVID-19 has affected the operation of logistics service providers, who are the major enablers of foreign trade. In an interview to MVIRDC World Trade Center Mumbai, Mr. Varun Gada, National Head - Contract Logistics, Liladhar Pasoo pointed out that empty vehicles are not available as transporters are not allowed to unload cargoes at warehouses and factories. Mumbai-based Liladhar Pasoo has been offering a bouquet of logistics services to India's exporters and importers for more than a century and it boasts of presence in 170 countries globally.

Mr. Gada lists out the challenges faced by logistics service providers and suggests policy measures to address them.

Following is the excerpt of the interview:

1. What are the challenges faced by the transportation sector amidst the nation-wide lockdown to combat COVID-19

Even though the government has allowed movement of trucks, the challenges faced at the ground level are listed below:

- Around 80% of the drivers have left for their home town
- Drivers are scared to move due to police harassment and non-availability of food enroute.
- Our loading supervisors and available drivers are not allowed to reach the place of loading by the local police and villagers.
- Most of the warehouses are closed; Hence, unloading is not happening, and as a result empty vehicles are not available.
- Labourers are not available to unload the cargo.
- The notification issued by the central government has not reached to the ground level personnel, specially the police staff who are manning the highways and they are not cooperating at all.
- All garage, puncture, spare parts and tyre shops are closed; These entities are required for smooth movement of vehicles
- Drivers are afraid and not ready to risk their life by going interstate for any movement
- Our drivers beaten by local villagers and they have warned them not to move trucks
- Major empty yards are closed till further notice
- Borders are sealed by authority

2. What are the steps being taken by your organization to support exporters and importers navigate through this crisis?

We are helping clients by liaising with multiple government authorities to ensure those clients with essential cargo get permission to move their cargo to or from port and their warehouses to their customers.

We are also working closely with the Customs authorities to ensure that ports are not choked with non essential cargo containers and cargoes to container freight stations (CFS) for storage in consultation with the client.

3. What are your suggestions to policy makers to address the challenges faced by the logistics industry?

Our suggestions to policymakers are as follows:

- a. Give a one-time permission to ensure all vehicles which are not unloaded at destination (warehouse / factory) to be unloaded and cleared so that the drivers can be freed and the cargo does not get spoilt
- b. If all essential and non-essential transport is permitted, then we should also be allowed to unload cargoes at warehouses or factories; Otherwise, there is no point in permitting transport.
- c. There is a need to waive GST for companies employing more than 100 contract or permanent staff for this period of 30 days so that companies can save this tax outgo and use it for paying salaries of workers.
It is welcome that government has supported units employing less than 100 workers by sharing their burden of employee provident fund contribution. However, units with more than 100 workers are the ones that are doing a larger bit by continuing to support salaries without actual work execution.
- d. There is a need to ensure free transport from rural India to all cities and towns so that the contractual labourers return to work after lockdown. Else, there will be a large shortage of manpower in labour intensive industries.
- e. Provide an insurance upto 10 lakhs for all logistics personnel below the salary band of 2.5 lakhs per annum.

NOTIFICATIONS

Press Information Bureau, Government of India

- [FAQs on RBI's moratorium on bank loans](#)
- [Exchange rate notification](#)

DGFT

- [Extension of Foreign Trade Policy 2015-20](#)
- [Amendment in import policy for iron and steel](#)
- [Extension of Handbook of Procedures](#)
- [Implementation of track and trace system for export of drug formulations extended](#)
- [Extension of validity of RCMC](#)

RBI

- [Further relief measures to combat financial distress from COVID-19](#)

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- [Exchange Rate Notification](#)

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