

Today, logistics players are highly aware of the challenges that the monsoon brings with it, especially in terms of maintaining a productive supply chain movement for their clients. Monsoons are a major worry for companies, particularly for those companies that deal with FMCG and agri-products. However, implementing various initiatives like improving the storage facility, sending the consignment in advance, installed forecast management mechanism, etc., can help companies redress their monsoon woes.

■ ARINDAM GHOSH

TO offer efficient supply chain movement to the user industry, today logistics and supply chain companies are constantly formulating strategies. They are working towards coming up with innovative methods to become more responsive to their customers, while, at the same time, trying to remain competitive in the industry. Amid all this struggle comes the need to tackle the monsoon, which throws several hurdles before supply chain companies when it comes to maintaining an efficient supply chain for their clients. Heavy rains create a huge impact on the safety and movement of products. Besides, it

the country, we generally do not experience continuous rainfall over prolonged periods as compared to the western and the southern part, which receive heavy rainfall. As a result, our challenges are comparatively lesser," Arora adds.

Storage of products

Himanshu Sharma, Manager - SCM, Redington (India), opines that storage of products during monsoon is a major challenge. According to Sharma, the goods need to be stored in such a

needs to be good enough as it needs to protect the commodity from the rains, especially if the product is highly sensitive to heavy rains.

Warehousing

In such a scenario, the most critical thing for any product to be safe is the warehouse or the storage facility, opines Arora.

Critical to

TACKLE MONSOON CHALLENGES

may also affect the business of the user industry. Such a closely linked cause-and-effect relationship has made logistics companies strongly focus on planning to ensure smooth supply chain movement.

CHALLENGES FACED

Quality of protection and preventive mechanism

Commenting on some of the major challenges faced in supply chain movement during the monsoon, Anil Arora, MD, MJ Logistic Service, says that the quality of protection and preventive mechanism required for a product depends upon the sensitivity of that product to the monsoons. "Further, in the northern part of

manner that they are protected from the rains and moisture. "It becomes extremely critical in the case of foodstuff, medicines and other agri-products," he avers.

Packaging

Complementing Sharma's views, Arora highlights, "The biggest challenge faced is while storing agri-products.

The most critical thing for any product to be safe is the warehouse or the storage facility. It should be designed such that it is able to offer all types of preventative solutions for the products stored.

They need to be protected from the rains and moisture, because any unwanted contact would lead to faster degradation of the product." Also, under the FMCG segment, the biggest challenge is packaging. The packaging

"It should be designed such that it is able to offer all types of preventative solutions for the products stored. Further, if it is a hired facility, then companies should take some more initiatives, because safety of the commodity is his primary responsibility."

Water logging on roads

Sharma highlights that water logging on roads during the monsoons and traffic congestion are other challenges faced. To this, Rajnish Thakur, Business Head - Special Collaterals, National Collateral Management Services Ltd (NCMSL), agrees, "Around 61% of cargo in India is moved via roads. Heavy rains hamper the quality of the roads, thus making the movement of vehicles slow. In many developed countries, expressways have been developed to facilitate high-speed freight movement through linking of important cities, ports and industrial centres. In India, the expressway network is still largely at a planning stage." The country has set a

target to develop around 15,000 km of expressways only by the end of the 13th Plan period.

Maintaining a proper turnaround time leading to extra cost in terms of inventory management and manpower

According to Sharma, it is difficult to maintain a proper turnaround time during the monsoon, especially in cases where upcountry deliveries have to be made. Consequently, the business may suffer due to delay in the delivery of the product. Such a scenario may lead to extra cost in terms of inventory management and manpower. This is another major problem faced during the monsoon.

Waiting time at check posts results in delays

The waiting time at check posts results in considerable loss of time for road freight during transit, Thakur explains, adding that a policy initiative like GST will come as a boon as it will significantly reduce the delivery time across any weather condition. According to Thakur, in many cases, transport companies opt for 'overloading' in order to meet shortages that may arise during the monsoon. However, such a practice "badly damages the inventory being transported during the monsoon", he says. Manpower is another problem as they are not easily available during the monsoon, Thakur adds.

Infestations, pests and other insects

Highlighting the other challenges faced during the monsoon, Arora discusses the 'infestations, pests and other insects' problems. "Here, you have to be very cautious, particularly for items under the food and the cold chain segment. You have to have a strong preventative mechanism," he emphasises. Some of those solutions include implementing a proper pest control process, a detailed check of the entire warehouse before the monsoon arrives, etc.

INITIATIVES TAKEN

To tackle these challenges and ensure timely delivery of all goods, logistics

Steps to ensure timely delivery of goods

Movement of good from the point of origin to the desired location could be primary or secondary.

Primary movement: This refers to the movement of goods, which can be from the production site or any designated location identified by the user industry to the warehouses. It primarily takes about 2-5 days. Here, both the parties are well aware of the weather conditions, the road situations, etc. However, if there is a sudden change in weather or there is any sudden problem during freight movement, then both the parties share it, as soon as possible and take remedial steps accordingly.

Secondary movement: This involves the movement of items from the warehouse to the retail, or the point of sale, etc. In this case, dispatches happen within a radius of about 100-150 km. Here, the dispatching team is well aware of the situation of delivery in each area and further discusses it with authorities at the distribution centres. However, the goods are picked up only if they are capable of making the delivery.

With inputs from Arora, MD, MJ Logistic Service

companies have taken various steps. These include:

Installing a proper storage facility system

Highlighting some of the initiatives taken by NCMSL, Thakur points out that installing a proper storage facility system is critical to enhance the shelf life of the product, especially during the monsoon. He says that his company offers modern, scientific and IT-enabled storage and preservation services for all types of commodities.

Complementing his views, Sharma says that it is absolutely important for ensuring proper storage of products. "We use racks and international standard fumigated pallets. We also perform regular pest control activities

towards ensuring safety of the products," Sharma adds.

Strong packaging

Redington (India) focusses on strong packaging. "We use sealed body containers so that moisture and rain do not affect the products," Sharma informs.

Plan deliveries schedules in advance

Further commenting on the practices followed by his company on maintaining a systematic turnaround time, Sharma says, "We plan the deliveries schedules in advance. For instance, if a product takes three days to reach the desired location, we sometimes dispatch the product a day in advance."

Monitoring and alerting system

Thukur highlights that the 'monitoring and alerting system', gives a clear, real-time view of the inventory, goods movements and the status of the supply chain process. "We also use 'Forecast Management' during the monsoon as it helps ensure proper planning in supply chain management, better demand planning and inventory management," says Thakur. Such systems help the company manage the supply chain efficiently.

NEED FOR MORE IMPROVEMENTS

Despite all these remedial measures taken, there is still scope to improve. Expressing views on the initiatives that needs to be taken in order to prevent damages caused to products during the monsoon, Arora concludes, "We have to focus on developing a proper drainage system not only in, but also around warehouses. In our own warehouses, we have a highly developed rainwater drainage and rainwater harvesting system. Also, the roof of the warehouse needs to be checked at regular intervals. If the warehouse is on lease or if it has been hired, the concerned logistics company has to be extra cautious." ■

arindam.gbosb@infomedia18.in