

## **GOVT GOES AFTER 'INTERMEDIARIES' TO CUT LOGISTICS COSTS FOR EXPORT-IMPORT TRADE**

Intermediaries in the supply chain are staring at a bleak future with the government drafting new rules seeking to regulate their pricing to cut logistics costs for exporters and importers.

A Standard Operating Procedure (SOP) targeting the non-vessel owning common carriers (NVOCCs), freight forwarders and consolidators is being finalised. The SOP seeks to standardise the plethora of local charges levied by these intermediaries into 10-12 heads and to levy these charges as per cost without adding any margins/profits. The intermediaries will be allowed to earn profit only on the freight head. There is also a thinking to check intermediaries from earning margins/money even on the freight component, a government official briefed on the plan said.

**Source: Business Line**