

Minutes of the discussion with AITWA representatives on 5th December, 2022

A virtual (online) discussion was held with the All India Transporters Welfare Association (AITWA). It was established in the year 2000 as a society registered under Societies Registration Act, 1860 for the welfare of India's Road Transport Fraternity and to act as its mouthpiece in the matters related to country's Road Transport Industry. During the past Twenty-one years, AITWA has been recognized as one of the foremost apex bodies of India's Road Transport Sector by the Ministry of Road Transport and Highways (MoRTH). AITWA members are majorly falls under small and medium category service enterprises. This discussion was held to get inputs from the association on challenges faced by enterprises in and probable solutions for supporting growth of service sectors in NCT Delhi.

Members Present –

1. Jai Prakash Singla, Office Bearer, All India Transport Welfare Association
2. Anijit Bhattacharya, SIDBI PMU (GT)
3. Sandeep Sharma, SIDBI PMU (GT)

During the Discussion, following points were discussed: -

- **Skill development for Driver and Mechanic:** This sector engages mostly non-trained human resources as drivers and mechanics. These human resources mostly learn on the job capacity and they do not have formal training of driving or mechanic activity. There is a need for checking formal training before issuing driving license or renewal of license. Similarly, the mechanics or workshop mechanics require training of equipment handling, maintenance of goods vehicle etc. Such kind of awareness programme, orientation/ refresher programme may reduce road accident and keep the vehicle fit condition for long time.
- **High cost of logistic space:** Transporter and Logistic owners are paying high rent for their fleet or warehouses. In last few years the cost has increased by nearly 2 times.
- **Logistic Park:** GNCT of Delhi may think to develop small multifacility logistic park on PPP mode for the transporters. Existing transport nagar is now very congested and become part of the city.
- **Fiscal Incentive:** There is no incentive for transporters and logistic owners. Business running cost is increasing day by day. GNCT of Delhi may consider some fiscal incentives on bank interest for them. All the transporters and logistic owners have high amount of bank loans and they are paying hefty amount of interest.
- **Suggestions:** The association representatives suggested followings –
 - Creation on multi facility logistic park at major entry point of the State is required.
 - Adoption of digital technologies by transport and logistic sector can reduce cost of the fleet and make the business competitive.
 - The workforce in this sector is highly unorganized and upgradation of skill level in this sector is very important.
 - Fiscal incentive on bank interest would be beneficial for transport and logistic sector MSMEs.

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