



## Industry and customers are realising the importance of stocking up goods. The changing habits and social distancing could lead to social divisiveness

The COVID-19 pandemic has impacted the entire value chain, from transportation to warehousing. A warehouse is an essential centre for procurement, manufacturing and distribution services but the industry is facing challenges to keep the business going. Warehouses are meant for essential and non essential goods, and since approvals are granted for essential commodities only, so the facilities for non essential are abandoned. The KPMG report says that in the times of this global pandemic, storage facilities

such as warehouses which are majorly dependent on EXIM and domestic trade are expected to experience reduced cargo volume impacting revenue. **CARGOTALK** discovers how COVID-19 has impacted the warehousing sector and sector's requirements from government.

While there is usual pessimism about the likely recessionary trend as forecasted by IMF and other bodies, **Sandeep Chadha, Founder & CEO, Warehouster Capital Advisors India**

observes that the general outlook is positive and encouraging for the warehousing sector. He continues, "Industry in general and customers in particular are realising the importance of stocking up goods for any likely eventuality. Warehousing as an essential ingredient of the erstwhile supply chain, are mostly operational. Due to the pan-India lockdown, supply chain has been disrupted especially the one dependent on road transportation. So some challenges still prevail."

"Considering the changing habits and social distancing caused a lot of frustration and also could lead to social divisiveness. So, the growth prospects are looking very promising for this sector. The regulatory orders prohibiting shopping malls and high-street retail from operating would result in e-commerce emerging as an undisputed winner in the wake of same. And that also means an enhanced demand for strategically located warehouses," he adds.