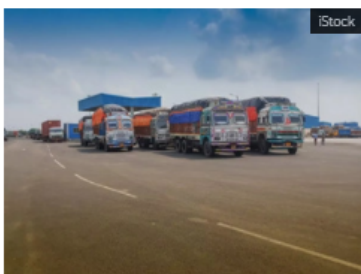


Logistics providers see spurt in demand

Synopsis

Several states have announced night and weekend curfews so as to curb the spread of Covid. Suppliers of food and other essentials fear that this may impact movement of goods and they are building stocks across the country to avoid any shortages.

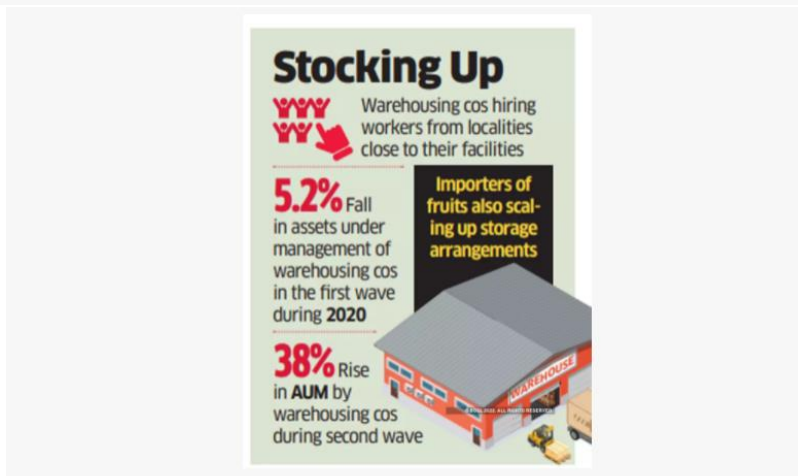


Logistics service providers have started receiving demand for higher storage space from essential products and FMCG companies, which are preparing themselves to overcome possible impact on supply lines if authorities impose restrictions amid increasing Covid-19 cases.

Several states have announced night and weekend curfews so as to curb the spread of [Covid](#). Suppliers of food and other essentials fear that this may impact movement of goods and they are building stocks across the country to avoid any shortages. In order to offer uninterrupted operations to their clients, companies

that are engaged in warehousing and transportation services are hiring workers from localities and villages close to their facilities.

"This third wave is leading to sudden preparations across sectors, especially essentials and FMCG companies, to overcome any uncertainties due to sudden lockdowns and local restrictions," Anshuman Singh, chairman of [Warburg Pincus-backed](#) Stellar Value Chain Solutions, told ET. Storage capacities are being readied for grocery and other essential requirements, he added.



In the first wave during 2020, warehousing suffered a 5.2% fall in assets under management (AUM) as the supply chain was entirely disrupted. However, the second wave coincided with the kharif harvest season and, consequently, the AUM by warehousing increased by 38%, said Sandeep Sabharwal, chief executive of the [SLCM Group](#), a leading player in warehousing space. "For the expected third wave, we believe that the warehousing logistics system is well-prepared to handle the dynamic market changes and could result in a 62% AUM hike within the coming months," he added.