



# A Look into the Changing Scenario in Warehousing

**AUTHOR**<sup>1</sup> – Jeeval Prashant Sakhare

**AUTHOR**<sup>2</sup> – Dr. Priya Satsangi

**Amity University Mumbai**

Amity Business School

## Abstract

The significant portion of logistics and supply-chain systems in India is warehousing.

experiencing swift and myriad change. Greater e-commerce explosion, government action (National Logistics Policy 2022; PM Gati Shakti) and investment in.

New technologies and technologies in industry 4.0 are changing the design, operation, and workforce requirements in a warehouse; these include automation, robots, the Internet of Things, and artificial intelligence (AI). The paper reviews recent scholarly resources, industry reports and government documents (2010-2024) to determine the reasons, limitations, and possible outcomes of warehousing transition in India. The paper is based on four interdependent dimensions, namely, the diffusion of technology and automation in the warehousing sector, integration of policy and infrastructures, sustainability and green warehousing, and labor preparation and skills development. The report makes management and policy recommendations to encourage the use of technology and embrace warehousing as a supply chain competitive advantage in India.

**Keywords:** Warehousing, Logistics, Automation; India, National Logistics Policy; Supply Chain.

## Introduction

Warehousing has been developed as mere storage into a strategic node that adds value in the entire supply chain. Gu, Gottschalk, and McGinnis (2010) describe contemporary warehouses as handling inventory, generating value in terms of kitting and light assembly, returns, and entailing omnichannel retail order fulfillment. The regulatory reforms such as the introduction of the Goods and Services Tax in 2017 and the booming e-commerce and organized retail have changed the structure of warehousing in India (JLL, 2022). Nor does it lack favorable market prospects, as the current data presented by Knight Frank (2023) and JLL (2024) show that the demand in Grade-A distribution centers increased. Some drivers of change in logistics are demand-side pressures of e-commerce and direct-to consumer models, supply-side technological innovations like automation, robotics, and warehouse management systems (WPMC) (WPMC) (WPMC), competition to reduce costs and integration of multimodal networks by government (National Logistics Policy 2022; PM Gati Shakti), and sustainability objectives of promoting green warehouse infrastructure (JLL, 202).

The paper will consider the dynamic warehousing environment in India with gaps identified and policy and practice options suggested, basing this on literature and industry statistics.

## Statement of the Problem

Although the growth and investment in the warehousing industry is on the rise, there have been underlying problems in India regarding the industry. According to JLL (2022), warehousing is disunited, and numerous small and medium-sized companies do not have opportunities to finance technological innovations.

Warehouses have mostly been located in the area of ports and in large cities, but now extend to tier II and tier III cities, with this causing logistical bottlenecks on last-mile delivery (JLL, 2024). National Logistics Policy (2022) and PM Gati Shakti provide an integration roadmap, yet implementation and cooperation across and between agencies is still a big challenge

(NITI Aayog, 2023). According to FICCI (2022), worker preparedness is one of the bottlenecks because the skill demands in automated and digitally outfitted warehouses are changing faster than the traditional training programs.

These challenges raise essential questions: How adequately do technology and policy innovations yield operations improvements? What are the issues facing SMEs that are adopting automation? What can sustainability objectives do to be consistent with cost

sensitive operations? The paper examines literature in academia and industry to discuss these issues.

## Objectives of the Study

1. This paper will examine the development of warehousing in India depending on regulatory and technological shifts.

Examine transformational power, including e-commerce, automation and infrastructural policy.

Evaluate how government efforts (National Logistics Policy 2022; PM Gati Shakti) have influenced the results of warehouses.

Highlight the implications of workforce and sustainability on practice and policy. Suggestions on fostering inclusive and resilient development of warehousing in India. **Hypotheses of the Study**

This synthesis is based on three hypotheses in this literature based study.

**H1:** Automation and the implementation of digital technology result in a higher operating efficiency of the warehouse in India, in terms of the number of throughput, accuracy, and shorter lead times.

**H2:** The National Logistics Policy (2022) and associated measures of multimodal integration (PM Gati Shakti) enhance the capacity and efficiency of warehouses.

**H3:** Firm-level preparation, such as access to capital, managerial competences, and worker skills mitigate the positive effect of technology adoption on performance.

## Preliminary Literature on Major Challenges.

Operations research, logistics management, and policy studies are all of literature on warehousing. This part of the paper considers four themes relevant to India: global trends, development of the Indian sector, adoption of technologies, and policy and sustainability. 5.1 Global Warehousing Trends

According to research worldwide, it is necessary to have digital, automated, and sustainable warehousing. Gu et al. (2010) give an in-depth overview of the warehouse operations, with their evaluation centering on the optimization of layout, storage and management of materials. Hofmann and Rusch (2017) state that the technology of Industry 4.0 facilitates cyber-physical coordination and real-time decision-making resulting in increased responsiveness and agility. The big e-commerce companies, including Amazon, adopt robotic pickers, automated storage and retrieval system (AS/RS), and sophisticated warehouse management systems (WMS) to achieve faster fulfilments and reduced errors. Green warehousing methods such as energy-saving lights, solar panels on the roof, water saving, and green building certifications have been found to reduce both

operations and ESG risk (Cherrett et al., 2012).

### 5.2 Indian Warehousing Evolution.

The warehousing sector in India has had small players and godowns in the past that are small and fragmented. Its implementation in 2017 led to consolidation of networks through removing state tax barriers as regional and national distribution centers were established (Deloitte, 2018). Large growth of Grade A warehouse stock in major Indian cities above 2022-2024 came due to institutional investment (JLL, 2022; Knight Frank, 2024). JLL (2024) estimates that stock within critical cities will grow to more than 371 million sq ft by the end of 2023, and this will continue growing until 2025.

The introduction of 3PL and 4PL providers has led to operation in a more professional way. The domestic logistics companies such as Delivery and Xpress Bees, the retailers such as Reliance and Tata are investing in integrated fulfillment networks, which comprise fulfillment center, sortation hub, and last-mile micro-fulfillment center.

### 5.3 Technology Adoption: Automation, AI, and IoT.

Automation, such as AGVs, AS/RS, conveyerization, and robotic picking has been demonstrated to enhance throughput and accuracy in order in India (Sharma and Singh, 2021). The rate of adoption is the greatest in large e-commerce and retail companies because they have economies of scale and access to funds. AI/ML algorithms enhance demand forecasting and dynamic slotting, whereas IoT and telematics offer real-time inventory and equipment monitoring (Hofmann and Rusch, 2017).

The obstacles to adoption are the high initial costs, lack of skilled staff and integration with old systems. Leveraging incremental digital technologies, such as cloud-based WMS and barcode, is common in the warehousing ecosystem of small and medium-sized enterprises (SMEs) in India, rather than complete automation.

### 5.4 Sustainability and Policy Frameworks.

The National Logistics Policy (2022) and PM Gati Shakti in India have the aim of supporting multimodal connectivity, reducing logistics expenses, and creating integrated corridors. The NLP also focuses on digitalization, a common logistics interface (ULIP), and standard warehousing and logistics services (Invest India, 2022; NITI Aayog, 2023). The warehousing growth should be enhanced, with the help of dedicated logistics parks, multimodal hubs, and enhanced road and rail connectivity (e.g., Dedicated Freight Corridors). According to JLL (2024), certified sustainable warehouse space in India will increase three times between 2024 and 2030 through the influence of legislature and corporate ESG requirements. Incentives given to developers, demands by tenants and the availability of funds to refurbish old stock all determine green adoption.

## Data Collection Method

The research method is qualitative employing literature as its basis. Peer-reviewed publications, industry reports (JLL, Knight Frank), government policy reports (National Logistics Policy 2022; PM Gati Shakti), and reliable news and market analysis of 2010-2024 were used to obtain secondary data. Some of the databases and repositories utilized are ScienceDirect, Emerald Insight, Taylor and Francis, company reports and official government portals. Since the study focuses on the revolution of warehouses in India, the sources were selected based on their relevance, recent publication (2018-2024), and methodological soundness.

The synthesis was intended to identify shared themes and policy effects/impacts as well as trends in technological adoption, as opposed to primary empirical testing.

### Significance of the Study

This paper will integrate operational data, logistic policy, and industry sources to give a full picture of the logistic shifts of the Indian storage. It explains the policy-technology interaction in emerging markets, academically. The strategy assists managers and policymakers to focus on investments in scalable automation, workforce skilling, and sustainable infrastructure to enhance efficiency and reduce the cost of logistics.

## Conclusion.

As per the literature synthesis, the possible results are enlarging Grade-A warehousing stocks in tier-I and tier- II cities via institutional investments (Knight Frank, 2024).

Massive operators are slowly becoming automated, and SMEs are selectively becoming digital. Technological solutions are getting closer to each other as technology prices drop. With proper implementation of the National

Logistics Policy measures, logistics costs will decrease, and multimodal connectivity will be higher (Invest India, 2022).

The certified green warehousing is quick to grow with the help of tenant demand and ESG compliance (JLL, 2024).

According to FICCI (2022), the demand in qualified logistics workers and organized training courses to handle automated operations increased.

### Limitations of the Study

The major limitation is the use of secondary literature. Primary empirical validation (e.g., surveys or case studies) is required to test the theories numerically. Also, the rapid development of 2024-2025 can establish itself ahead of the published literature and reports in the industry.

Even being updated with the latest data, peer-reviewed studies might not indicate real-time market movements.

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