

VRUND

VOLUME 2

INDIA'S TECH ENABLED SUPPLY CHAIN PLATFORM



Warehouse Terminology

The Master Speak

WMS (Warehouse Management System)

Contemporary Warehousing



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Warehouse Terminology

Warehousing is one of the less-talked components of the supply chain process, but it's one of the most important. The right warehouse can make your entire production and distribution strategy more efficient and convenient for your business.

Effective warehousing, inventory management, and distribution processes can increase productivity and lower costs.

A warehouse is a facility within the supply chain to consolidate products to scale back transportation value which comes through economies of scale in producing or buying and gives additional processes and shorten latency. Warehousing has additionally been recognized as one of the most operations where corporations will give tailored services for his or her customers and gain a competitive advantage. The square measure varied sorts of warehouses: They are classified into production warehouses and distribution center's and by their roles within the supply chain they'll be classified as raw material warehouses, work-in-process warehouses, finished smart warehouses, distribution warehouses, fulfilments warehouses, native warehouses direct to client demand, and added service warehouses.

Warehousing is the act of keeping things for sequent sale or distribution. Whereas a little, home-based firm could

store things in a very spare space, cellar, or garage. Larger enterprises typically own or rent houses in a very structure intended expressly for storage. Another definition for Warehousing is that the procedure of storing physical product been there, and also the amount accessible. Inventory warehousing could also be done from home for small or young corporations till they exceed the world. At that moment, an organization is in a very specialized warehouse or storage facility till they're sold out or distributed. Warehouses keep things safely and firmly in an orderly manner, permitting you to trace wherever they're stored, once they arrive, the much longer they had should rent cupboard space, lease a warehouse, or source supplying to a 3rd party logistics to store merchandise in their reposition facilities. This is all concerning reposition that means in logistics!

A warehouse is a location used for the storage or accumulation of merchandise. The storage operator could also be dole out with success with the help of warehouses used for keeping commodities.

Warehousing is additionally delineated because of the acceptance of responsibility for the storage of merchandise. Storage generates temporal utility by keeping things throughout the year and cathartic them once required.



The Master Speak

Mr. Sanjay Sawant leading as Logistics Manager at Wella Company with an experience of over 9 years in Supply Chain Operations, Customer Relationship and Team Management. An impressive communicator having interpersonal, team building, negotiation, presentation, influencing and analytical skills.

Mr. Sanjay Sawant

(Logistics manager at Wella Company)

What challenges were faced by warehouses during pandemic period?

At the beginning of pandemic, there was a lot of uncertainty, however this was handled appropriately by the Government, Local Authorities, Management as well as the Warehousing Industries. Due to Covid-19 the dynamic environment had an impact on operations, inbounds as well as outbound shipments. For addressing the concerns of Operation, team management acted swiftly ensuring Covid-19 medical cover as a concern towards employee, deploying operational SOP's for creating awareness, ensuring 100% adherence, readjusting operational demand and forecast.

What are the benefits of warehouse management compared with inventory management?

Both refers to manage current and future stock requirement while meeting aligned service levels, the operational model depends on the type of business, complexity and scale.

Warehouse management gives more visibility of stock status, movements and operations (picking/packing). Warehouse management system can be integrated by providing data for optimising space, lower operational expense and help in supply chain optimisation.

Investment in Warehousing business is a good option?

India's economy is growing with a population of 1.3 billion, making Indian warehousing business an irresistible investment opportunity. The introduction of GST and growth in e-commerce the warehousing industry is expected to grow at a CAGR of 9.1%. During 2021-2026 Knight Frank India in their latest report – 'India Warehousing Market Report – 2021', projects annual warehousing transactions for top eight Indian cities (primary markets) which will grow at a compound annual growth rate (CAGR) of 19%.

What do you feel are the most important responsibilities of a warehouse associate?

For me the most important responsibility of warehouse partners is safety, quality and productivity.

Describe a stressful situation at work and how you handled it?

Life is never a cakewalk, you have ups and downs whether personally or professionally. For me the approach is simple; assess the situation, analyse the options, discuss and agree on the best option, align the stakeholders.



“If we can challenge convention, we can solve any problem.”

Josh Valman



Key elements of Warehousing

1. Warehouse management

Managing a warehouse means that overseeing all workers, training, inventory, equipment, safety and security, relationships with shipping carriers, and different moving items.

2. Warehouse operations

Warehousing operations refer to the processes that happen during a warehouse revolving around the movement of products and the following inventory.

3. Warehouse management systems

Warehouse management systems facilitate optimizing inventory and following, repositing operations, workload distribution, and shipping.





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An idea that does not involve risk
doesn't deserve to be an idea

Oscar Wilde



Warehousing Functions

1. Storage

This is the elemental purpose of deposition. Surplus things that don't seem to be needed directly can be kept in warehouses. They'll be provided to customers as and after the square measure needed.

2. Stability of prices

Warehouses play a significant half within the value stability method. It's accomplished by the institution of temporal utility through a deposit. costs of commodities are reduced once provides are plentiful, whereas costs are raised once provides are few.

3. Avoiding risks

When commodities are housed in warehouses, they're at risk of dangers like stealing, degradation, exploration, fire, and so on. Warehouses are inbuilt such the simplest way that these dangers are reduced. Once Merchandise is housed in warehouses, a livery contract is a result. The individual storing the things in warehouses is understood because the deliverer, and therefore the warehouse


keeper is understood because of the agent. A warehouse keeper is liable for taking tutelage of the things and protective them from completely different threats. The warehouse keeper is answerable to the owner of the products for any loss or harm to the things.

4. Financing support

Loans will be obtained from the warehouse keeper in exchange for the owner's merchandise. The warehouse keeper is protected by the products. Banks and different money establishments also will build loans supported warehouse revenue. During this approach, storage is a supply of funding for business homeowners to satisfy their operational wants.

5. Packing and grading

Warehouses in contemporary times offer packaging, processing, and grading services for commodities. In step with the owner's directions, merchandise is packaged in handy sizes.



“You can’t let your failures define you. You have to let your failures teach you.”

Barack Obama

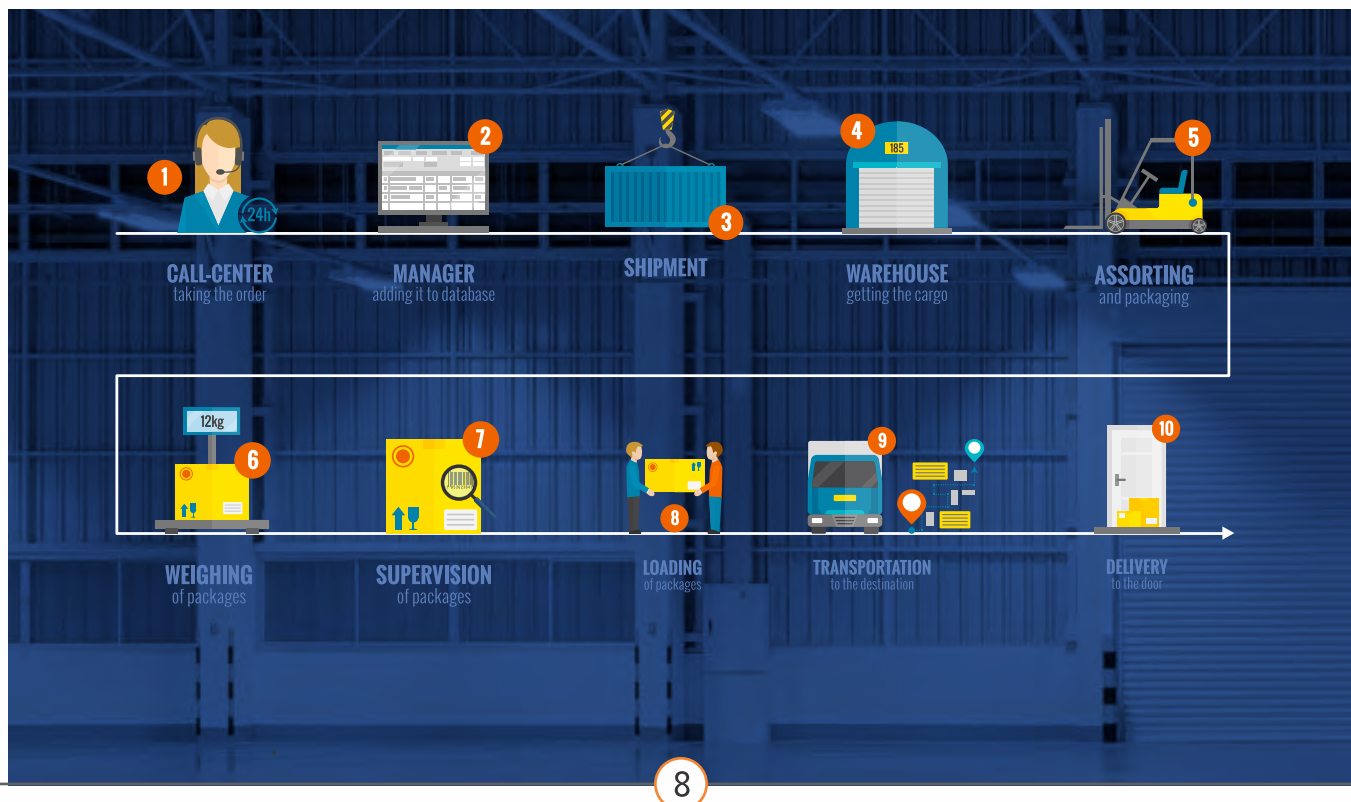
WMS (Warehouse Management System)

A warehouse management system or WMS primarily aims to regulate the movement and storage of materials at intervals warehouse and process the associated transactions, together with shipping, receiving, put-away and picking. A warehouse management system (WMS) could be an info-driven pc.

Application to enhance the potency of the warehouse by directive cutaways and to keep up correct inventory by recording warehouse transactions. The systems additionally direct and optimize the stock-supported period data concerning the standing of bin utilization. It usually utilizes motorcar Automatic Data Capture (AIDC) technology, like barcode scanners, mobile computers, wireless LANs (Local Space Network), and doubtless Radio-frequency identification (RFID) to expeditiously monitor the flow of product. Once knowledge has been collected, there's

Either batch synchronization or a Real-time wireless transmission to the central info. The info will then offer helpful reports concerning the standing of products within the warehouse.

The primary function of a warehouse system is to receive data from the higher-level host system, most frequently being the warehouse management system, and translate it for daily operations. A typical goal is to confirm a state of affairs wherever warehouse workers never got to retype data as a result of it already lying in one system or is collected mechanically. Warehouse system is sometimes the interface that's accustomed manage processes, folks, and instrumentation on the operational level. Supported warehouse system, literature distinguishes 3 sorts of warehouse management systems.





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Trade isn't about goods. Trade is about information. Goods sit in the warehouse until information moves them.

C. J. Cherryh

Contemporary Warehousing

The Warehousing sector is offering a very large business today and is slated to get even bigger, warehousing may bring in the moolah (Money), but what it requires are large tracts of land and in a geographically strategic location. Land acquisition and construction approvals are the most challenging and time-consuming parts of real estate development in India. The ideal situation is to minimize the time involved in these activities and focus on the development works.

“The Indian warehousing sector is gradually evolving, earlier the warehouses were around 8 mts in height which stands at 13.5 mts now whereas when it comes to a country like Europe it is 40 mts. We need transparency and uniformity here as well to bring us at par with the international standards.

The warehousing market in India has valued at INR 1,050 Bn in 2020. It is expected to expand at a compound annual growth rate (CAGR) of ~14.86% between 2021 and 2025, to reach a value of INR 2,028.86 Bn by 2025.

The usage of the warehousing system in India has gained significant prominence over the past few years. In India, the warehousing and cold storage space occupation increased by ~77% from 2019 to 2020.

At present, warehousing in India is mostly concentrated in tier-I cities, such as Bengaluru, Chennai, Kolkata, Mumbai, Delhi-NCR, Ahmedabad, Pune, and Hyderabad. However, with the rising demand for e-commerce activities and doorstep delivery services in tier-II and tier-III cities, the warehousing sector in India is expected to grow potentially in the coming years.



The Master Speak



Mr. Udit Jain

(Co - Founder of Girisons Clothing Industry)

Mr. Udit Jain Co-Founder of Girisons Clothing Industry have been working in the textile industry for over a decade. They deal in garments, corporate work-wear and home textile products. They are also involved in contract manufacturing, distribution, retail and have recently launched a home textile D2C brand.

What challenges were faced by warehouses during pandemic period?

The pandemic caused many unforeseen issues for businesses overall with so much uncertainty, it was very hard to plan production programs, delivery and dispatch of material. The whole supply chain system was disturbed.

What are the benefits of warehouse management compared with inventory management?

The new age technologies and advancement in the logistics sector, inventory management has become far more easier and streamlined within the warehouse. Real time data and analytics have really helped manage warehouse systems and inventory better, thereby easing working capital requirements.

Investment in Warehousing business is a good option?

Definitely, In a country like India where consumption is growing exponentially and new businesses are coming to the fore both in the online and offline space, warehousing has become a key element for inventory management as well as last mile logistics.

What do you feel are the most important responsibilities of a warehouse associate?

The most important thing for a warehouse associate is to understand the product he/she is dealing with and the time as well as cost factor involved while handling particular product.

Describe a stressful situation at work and how you handled it?

In these unprecedented times, over the last couple of years we had to go through many stressful situations in business. Be it handling production, customers, inventory or even cash flows due to rising costs. With proper planning and thought, we have all emerged from it and hopefully everyone will continue to build stronger and bigger businesses.

Kinds of Warehouses



- **Bonded Warehousing**

A bonded warehouse is a secure warehouse in which goods are stored until customs duty is paid or the goods are cleared for export.

- **Warehousing Tanks**

Storage tanks / Warehousing tanks are containers that hold liquids, compressed gases (gas tank; or in U.S.A "pressure vessel", which is not typically labeled or regulated as a storage tank), or mediums used for the short- or long-term storage of heat or cold.

- **Agri Warehouses**

An Agri Warehouse holds or preserves goods in huge quantities from the time of their purchase or production to their actual use or sale.

- **Cold Storage Warehouse**

A cold storage warehouse is a warehouse where perishable goods are stored and refrigerated.

Products stored can be, amongst other things, food, especially meat, other agricultural products, pharmaceutical drugs, other chemicals, and blood.

- **Central Warehousing Corporation**

Central Warehousing Corporation (CWC) is a Central Public Sector Enterprise (CPSE) under the administrative control of the Ministry of Consumer Affairs, Food and Public Distribution, Government of India. CWC is engaged in the business of warehousing, total logistics management, and allied activities.



- **Non- Bonded Warehousing**

A non-bonded warehouse is a storage space for goods on which the duty is already paid.

- **Cross Doc Operation**

Cross-docking is a practice in logistics of unloading materials from a manufacturer or mode of transportation directly to the customer or another mode of transportation, with little or no storage in between.

- **Portable Cabin Warehouses**

Porta Cabins are movable structures that can be used temporarily for any site construction. The use of portacabins is growing day by day in the construction industry because of their frequent usage.

- **Temperature Ambient Warehouses**

Temperature Ambient Warehouse Refers to the natural temperature of the warehouse. Air-conditioned. Typically refers to a temperature between 56°F and 75°F.

- **State Warehousing Corporation**

State Warehousing Corporation means any premises provided by the State for the deposit of goods to secure such goods or to hold such goods as security for the duties due in respect thereof, or pending compliance with any law relating to such goods.

IMPORTANCE OF WAREHOUSING

Warehousing is an important part of the supply chain for many kinds of businesses that deal in physical merchandise. This might be client businesses holding a product that eventually makes its way to a finished retail client, or it may well be business to business (B2B) corporations storing products that eventually build it to business customers.

For retail and eCommerce businesses, repositing permits the acquisition of wholesale merchandise in bulk which cannot slot in a physical outlet or nonetheless be purchased by an Associate in Nursing to finish clients online. giant bulk orders permit these businesses to barter lower costs with their suppliers, so rising their margins once commerce to customers. They will conjointly keep inventory obtainable as demand keeps fluctuating to confirm products keep available.



Warehouse management improves the quality of work that goes on related to the warehousing, such as:

1. Boosts Efficiency:

All processes involved with the warehouse see an increase in the efficiency and quality of work that occurs. Starting from procurement of stock to storage, every step of the process occurs in a streamlined manner. This not only cuts down on time but also on costs and errors.

2. Saves Space:

Warehouse management analyses the space in the warehouse to ensure that all the spaces are being effectively used. This involves assessing the best storage location for a particular product. The stock to space ratio increases exponentially upon warehouse management, especially when it's automated. Also, by timing the arrival

and departure of the various products, there is a reduction in the storage time involved for a particular product.

3. Increases Security:

Since you know what product is stored at which location, it gets easier to keep track of the products and reduces stock shrinkage that occurs due to theft, damage, or misplacement of products.

4. Organizes Labour:

Labour is one of the most expensive components involved in warehousing apart from the various logistics.



This leads to better work distribution and increased efficiency, and also benefits the warehouse owners and the other people involved in the supply chain of the operation.

5. Guarantees Client Satisfaction:

Since warehouse management makes the entire process easier and boosts efficiency, this guarantees timely delivery and quality service. Proper warehouse management helps build long-term relationships and contracts.





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“Logistics is simple, but not easy.”

Joe Lynch

