



Lucknow next industrial, logistic hub; to generate 70K jobs in 5 yrs: CBRE

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LUCKNOW : Lucknow region is emerging as a key industrial and logistics hub in North India after Delhi-NCR as the warehousing sector is estimated to generate 70,000 direct employment opportunities over the next five years, according to property consultant **CBRE**.

In a statement on Thursday, **CBRE South Asia** said that Lucknow region has witnessed about **Rs 400 crore of investment** by leading players like **Amazon, Mondelez and Flipkart** in the last five years, and an additional **Rs 70 crore investment** is expected in the development of warehouses in the city.

The demand for quality warehousing space has consistently grown in Lucknow over the past five years and attained record levels in FY23, the consultant said.

The total leasing of warehousing space in Lucknow region in 2022-23 stood at 0.18 million square feet from 0.11 million square feet in the previous year.

Currently, the Lucknow region has a total of 5.2 million square feet of warehouse stock with about 1.4 million square feet of Grade A supply in the pipeline on the Lucknow-Kanpur highway cluster.

“The capital city of Uttar Pradesh is one of the most important consumption markets in the state and is strategically located with seamless access to East, West, and Central India, emerging as one of the largest logistics hubs of Northern India,” CBRE said.

The increased warehousing demand has led giants like **Amazon, Mondelez, Flipkart, Tata Croma, Airtel, DHL, Whirlpool, Delhivery, Ecom Express, and Mahindra Logistics** to set up their warehousing facilities in the region.

Currently, a few developers, including **Welspun, BG Link, Nanak Logistics, and Reciprocal**, constitute the Grade A warehousing landscape in the Lucknow warehousing market.

“According to estimates, the sector has the potential to generate direct employment of about 70,000, with an additional 35,000 jobs in allied activities such as transportation and external vendors in next five years,” CBRE said.

CBRE said it had facilitated Mondelez (100,000 square feet), Amazon (415,000 sq ft), and Mahindra Logistics (75,000 sq ft) in the development and leasing of warehouse space in and around the city.

CBRE attributed the growth of warehousing in the Lucknow region to availability of reasonably priced land parcels, good road connectivity, and benefits of industrial land use classification under UP State Industrial Development Authority (UPSIDA).

The multi-city metro rail projects coming up at Lucknow, Kanpur, Meerut and Varanasi, and the upcoming international airport at Jewar and a new airport in Kushinagar are adding strength to the state’s connectivity advantage, it added.

“Being the state capital, Lucknow has become an ideal location for the development of warehouses.

“E-commerce players have been the mainstay of the Lucknow market since the turn of the decade, but majorly 3PL companies led the occupier demand in FY23,” **Anshuman Magazine, Chairman & CEO – India, South-East Asia, Middle East & Africa at CBRE**, said.