

Voluntary Report – Voluntary - Public Distribution

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Report Name: COVID-19 in India - Weekly Food Retail Update

Country: India

Post: Mumbai

Report Category: Agricultural Situation, Agriculture in the News, Retail Foods

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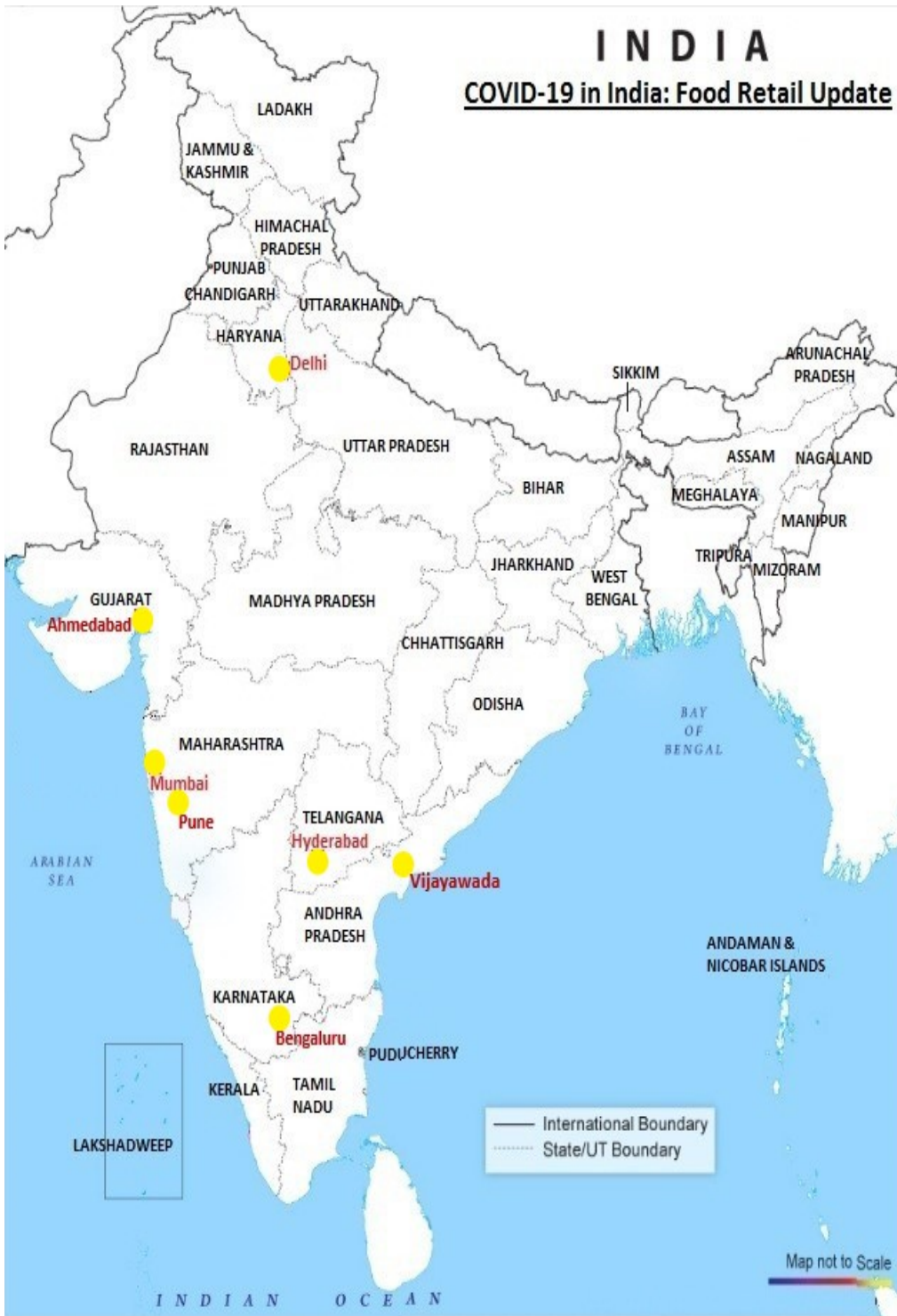
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Report Highlights:

Weekly report as of April 24, 2020, of COVID19 impact on India's food retail sector.

INDIA

COVID-19 in India: Food Retail Update



1. Mumbai: One grocery chain reports that their business has been severely affected due to the decline in walk-in customers and staff shortages. In neighborhoods with higher COVID-19 cases, the chain has been forced to strictly regulate the number of customers entering their stores and is limiting store operations to three days a week, as per the guidance by local officials. Due to supply chain issues, the grocery chain is now facing problems in procuring packaged/processed items and fresh produce. Since the lockdown, customers are buying more staples, processed foods, and vegetables, while the sale of fruits has declined as it is less of a priority for consumers. This chain has had to shut down its delivery service due to a lack of operational capacity to maintain it.

2. New Delhi: Residents are increasingly relying on apps to order groceries and access the latest updates on availability and business hours of grocery shops and pharmacies. The Indian Government's National Commission for Women has established the #HappytoHelp task force to help the elderly in procuring food supplies.

3. Bengaluru: On April 21, Karnataka's Chief Minister launched a helpline service for home delivery of essential items and groceries to ensure residents remain indoors during the lockdown.

4. Hyderabad: Food retail representatives from Telangana state report continued challenges in keeping stores open due to a weak supply chain, tighter margins, less stock, and limited staff. Due to low cash flow and rising costs, some firms are projecting a 10% to 30% reduction in revenue this year. The lockdown has led to a shift in consumer consumption habits and firms are now evaluating new business models for the short and long term to stay profitable. Also, retailers still need greater clarity from the government on what activities are permitted, or not, as current regulations remain too ambiguous.

5. Ahmedabad: The Ahmedabad Municipal Cooperation recently identified COVID-19 in eight produce vendors, leading to enhanced monitoring in markets and grocery shops. Residents are now only allowed to shop for groceries from 8:00 AM-12:00 PM to control the movement of people and the presence of vendors. Authorities have also introduced new personal safety and food handling instructions to control the spread of infection.

6. Pune: Due to a strict municipal lockdown, the movement of goods has been severely restricted, and residents are only allowed to shop for groceries during select time periods of the day. This has led to a massive rush at grocery stores resulting in long lines and delays. Due to these constraints, shoppers can only stock up items for 2-3 days during each store visit. Pune's main wholesale market, Shree Shiva Chhatrapati Market Yard, was closed due to rising COVID-19 cases and the death of vegetable vendor earlier this month. Local shoppers report rapidly declining supplies of processed/packaged foods at stores and 30%-40% increases in the cost of fresh fruits and vegetables. Select restaurants and grocery stores can still perform home deliveries.

7. Vijayawada: The municipal government is asking residential welfare associations to use their official helpline to order groceries to prevent overcrowding at grocery stores and bazars.

Attachments:

No Attachments.