



Who pays for supply chain inefficiencies in 2026?

How disruption, resilience and capital discipline are reshaping supply chain decisions

FourSight Chapter 1

11th June 2026

Impact of supply chain disruptions are visible across core metrics

2x–5x at peak

Freight rate volatility

Freight spikes across key ocean lanes have materially increased landed cost for Indian supply chains.

+7 to 14 days

India – EU/ US transit delay

Route diversions and congestion have extended transit times, increasing replenishment cycles and buffer stock.

+7 - 9% in 4 months

Fuel / diesel price increase

Fuel price volatility continues to push up transportation and distribution costs across line-haul and last-mile networks.

+8 - 10% in last 2 months

HRC/ CRC Steel Price

Steel prices are broadly flat YoY but have risen sharply in last 2-3 months, increasing near-term procurement costs.

±5% - 8% monthly swings

Consumption demand volatility

Uneven retail offtake, festive spikes and channel restocking are creating forecast error, inventory imbalance and higher markdown / replenishment volatility.

Elevated risk premiums

Geopolitical / corridor risk

Disruptions across major trade corridors are increasing rerouting, insurance and sourcing risk for India-linked supply chains.

+5% to 15%

Higher working capital

Strategic buffers and higher safety stock are increasing inventory carrying costs and tying up more working capital.

+150 to 250 bps

Financing burden

Higher financing costs are raising the burden of holding inventory, expanding warehousing and funding supply chain investments.

In the face of disruption and volatility, supply chain inefficiencies are no longer absorbed quietly — they are redistributed across price, margin and asset value.

For India, the pressure is two- fold

1. Global disruptions are raising input, freight and financing costs
2. Customers are demanding faster, more reliable fulfillment

Today's discussion asks where the burden ultimately sits..



Shipper/ Cargo owner



Developer/ Asset Owner



Service Provider



Investor

... and how sector leaders are responding.

Impact of disruptions across stakeholder P&Ls

Illustrative examples - how disruptions show up differently across the ecosystem



Shipper/ Cargo owner

- Freight and sourcing costs up
- Transit delays increase buffer stock and carrying cost
- Cost-to-serve increases despite stable demand

Impact: EBITDA margin 14% → 10–11%



Developer/ Asset Owner

- Construction and financing costs remain elevated
- Higher spec requirements increase capex burden
- Leasing remains healthy but decision cycles can elongate

Impact: Project IRR / margin down by 100–200 bps



Service Provider

- Labour, fuel and subcontracting costs rise
- Contract repricing often lags cost inflation
- Network volatility affects utilisation and service levels

Impact: EBITDA margin 8–9% → 6–7%



Investor

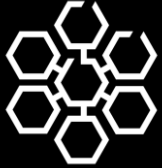
- Risk premiums and underwriting thresholds rise
- Greater focus on tenant quality and asset resilience
- Capital deployment becomes more selective

Impact: Required yield / return up 50–150 bps

What actions are you taking to manage rising supply chain costs in 2026?



How are you navigating cost volatility across your supply chain?



Network redesign ?

Resilience, reach and service reliability are as important as cost.

1. Are you redesigning your network for cost, speed or resilience?
2. How much redundancy is enough before it starts diluting returns?
3. Does a wider footprint improve service — or add complexity?
4. Does expansion into Tier 3–4 cities improve reach — or fragment execution?
5. Is multimodal planning becoming a true advantage — or an operational challenge?

How are you navigating cost volatility across your supply chain?



Inventory strategy ?

Selective buffers are replacing purely lean inventory models

1. Are you still optimising inventory for efficiency — or for resilience?
2. How much buffer stock is strategic — and how much is trapped working capital?
3. Should inventory move closer to demand — or stay centralised for control?
4. Which SKUs truly require strategic buffers?
5. Is inventory becoming a service lever — or a margin burden?

How are you navigating cost volatility across your supply chain?



Technology & AI

Visibility, forecasting and automation as core operating capabilities.

1. Are you investing in technology to automate activity — or to improve decisions?
2. Is visibility improving execution — or just creating more data?
3. Where is AI genuinely improving forecasting, planning and productivity?
4. Are automation investments reducing cost-to-serve — or raising fixed cost?
5. Is technology becoming a moat — or just the cost of staying relevant?

How are you navigating cost volatility across your supply chain?



Capital Allocation

*Capital flowing selectively
towards resilient and
scalable supply chain.*

1. Where are you still willing to deploy capital?
2. Are you backing growth, resilience or productivity first?
3. Does Grade A capacity justify the capital — or raise the bar for returns?
4. Which investments are core to long-term advantage — and which can wait?
5. What will continue to earn investor confidence in a more selective market?

Thank You