

Accutime bets on 'less than truck load' model

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Kolkata: Accutime, a leading integrated transportation service provider, is betting big on the prospects of LTL (less than truck load) and distribution logistics services business in India. The company is hoping to nearly treble its turnover from the present level of Rs 120 crore to Rs 350 crore, over the next three years. It has lined up an investment of Rs 75 crore to back up its growth plans and the funds will be mobilized through internal accruals, said V V Rao, Director, Accutime Logistics Pvt Ltd.

The proposed investment will be utilised in building and strengthening LTL network, developing and adopting new technology platforms, and in acquisition of city vehicles.

The company has also drawn up an ambitious plan of initially connecting 6 major logistics/warehousing and transportation hubs- Delhi NCR, Mumbai, Bangalore, Chennai, Pune, Kolkata and then ten centers across the country over the next one year or so. And in order to do that the company will be requiring as many as 500 vehicles which will have multiple runs. At present, Accutime has a fleet of 26 vehicles.

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A V Reddy, Director, Accutime Logistics Pvt Ltd, said that as high as 85 per cent of the country's logistics business comes from transportation services, while only 15 per cent comes from storage business. And therefore, going forward, the company will increasingly focus on LTL business, which is a high margin business as well. Reddy said that of the Rs 350 crore projected turnover in the next three years, LTL and distribution logistics services business will account for nearly Rs 200 crore. He said that the company is bullish about the fact that the introduction of GST with E-way bill has created a need for a much faster, load flexible and cost efficient transportation system by road.

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