

Drive India to consolidate southern operations

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Drive India Enterprise Solutions Ltd (DIESL), provider of integrated logistics solutions, is eyeing Bangalore to set up its southern base and also create a distribution centre in Hyderabad.

DIESL, is a jointly held private limited company which is 50 per cent owned by Tata Industries and 50 per cent owned by Tata International, provides logistics support to wide range of industries such as telecom, lubes, consumer durables, FMCG, retail, DTH, project logistics and automobiles.

"South India has 27 per cent of the company's warehousing capacity. With this strength, we are planning to create a main hub in Bangalore for efficient customer service to the region," Mr Ajay Chopra, CEO, DIESL, told *Business Line*.

"The company is exploring NH 4 (road which connects Bangalore and Chennai) to set up its southern base/hub. The facility we are to create is



Mr Ajay Chopra, CEO, DIESL.

around 3-3.5 lakh square feet scalable to 4.5 lakh in a year," he added.

Currently, the company operates with a total of 6.3 million square feet of warehouse area, covering around 90 per cent of country's districts and managing over 3.2 million transactions a month.

Explaining why the company is setting up its hub in Bangalore, Mr Chopra said "Of

the 170 warehouses in the country, 44 are in South India and majority of them are small facilities. We are planning to consolidate our southern operations into one facility."

DIESL having serviced Voltas, Tata Indicom in consumer durable space and coal and steel in eastern India is planning to offer similar logistics solutions to other companies in the sector.

'CAPTAINS OF LOGISTICS'

"To explore such opportunities, we have been holding 'Captains of Logistics' a multi city round table panel discussions across the country for the last one year," said Mr Chopra.

Talking about revenues, "Revenue from logistics is growing at CAGR of 60 per cent for the last four years. DIESL clocked Rs 1,400 crore revenues during FY 2010-11. Of which, Rs 300 crore came from logistics and Rs 1200 crore through trading telecom products," said Mr Chopra.