

## Interview



**Ajay Singhal**  
Chairman and Managing Director, Om Group

## Committed to Deliver

**O**m Logistics Ltd is known among the Indian automotive circles for its highly efficient and effective services to its clients. Operating predominantly in automotive vertical, Om has also diversified to cater to other verticals like pharma, textiles, telecom, white goods etc. The stellar success of the company lies in its commitment to provide innovative and value-added solutions through its strong workforce, network and infrastructure. The man at the helm, **Ajay Singhal**, chairman and managing director, Om Group shares the success story with **Ramprasad** in a candid interview. Excerpts

**Q: How did the growth story of Om Logistics begin?**

Om group was established in 1985 with the then flagship company Om Auto Carriers. We were basically transport carriers for completely built-up units (CBU). The first customised truck for carrying CBUs in India was pioneered by Om Group. In the early-90s, air cargo gained prominence

and keeping in line with the trend we established Om Air Freight in 1992. In mid-90s, logistics became the buzzword and there was a paradigm shift from transportation to logistics. Om Logistics was therefore established in 1995. From then on we strived hard to meet the expectations of our clients as a logistics company rather than a mere transportation company. By the year 2000, we had about 200 branches in India with warehousing facilities catering to some of the most valuable client base. In the same year, Om Trans (which was earlier Omex Cargo) was founded to cater to the needs of international trade. Today, we have grown to provide single-window solutions through our wide network and extensive reach. Be it services related to air cargo, ocean cargo, domestic movement or road and rail transportation, we do everything under one roof.

We are very open to suggestions from clients and this has been acting as our USP. We also have a very robust and 100 per cent in-house built ERP

system. Along with transparency, this system brings in excellent speed in transactions. The moment an employee of Om Group receives some information about cargo, it is immediately displayed on client monitor.

**Q: Have you faced any transition challenges while upgrading from being a transporter to a logistics service provider?**

It was not a very rapid transition and I feel that it is only a mental block. When we were tagged as a transporter, we were moving goods, warehousing them and delivering to the customers. These are essentially functions of logistics and it is only that they were not beautified or branded as logistics. Only the terminology was different, for instance, back then warehouses were called as godowns.

As we started branding ourselves as logistics services providers, we also came up with value-added services which the clients were delighted to accept. Also internally, we took efforts to educate our employees on what is logistics and how to go about with providing value-added services.

Quoted

**Our experience in automotive logistics has taken us to the position of maintaining very close relationships with almost all the OEM manufacturers in the country and we are Tier 1 suppliers to all the OEM manufacturers except Toyota. We also have very good relationships with component manufacturers. Even the feedback that we received from our clients has been excellent. So, based on this experience, we used this platform to diversify into other manufacturing verticals including pharmaceuticals, white goods, textiles etc. Today, 65 per cent of our business comes from automotive vertical while the remaining 35 per cent comes from other verticals.**



**Akash Bansal**  
Head-Logistics, Om Logistics

## Felicitations

- Om Logistics felicitated with "CERTIFICATE OF EXCELLENCE" by Maruti Suzuki India Limited for the remarkable contribution in Logistics & Supply Chain services & for Damage Free Deliveries during 2006-7 in an Outbound Logistics Summit 2007 held on 3rd November 2007.
- Ajay Singhal felicitated as "MAN OF THE LOGISTICS 2007" by AITWA (All India Transporters Welfare Association, New Delhi)
- Ajay Singhal felicitated as "LOGISTICS MAN OF THE YEAR 2007" by Mr. Oscar Fernandes, Hon'able Minister of Labor & Employment, Government of India, on behalf of Business Sphere Group
- Ajay Singhal felicitated as "TRANSPORT RATAN 2008" BY AIMTC (All India Motor Transport Congress)
- Om Logistics Ltd. felicitated with "SMART WORKPLACE AWARD 2008" in logistics and infrastructure category Technology leaders Intel, Acer & The Economic Times

**Q: Air cargo industry is growing again after the global economic slump. How are you gearing up to meet this growth?**

Yes, the entire express cargo industry is experiencing growth currently. I feel proud to say that we are one of the biggest air cargo movers in India. We move around 2,500 MT of air cargo per month, which is huge and only second to Blue Dart. So looking at volumes we handle, there are also plans to operate our own cargo freighters in this segment. But there are some nitty-gritties that need to be addressed.

**Q: Please tell us about the initiatives you, being a single-window solutions provider, have taken to strengthen the infrastructure to back your services.**

We are basically asset-based service providers with approximately 9 million sq ft of warehousing space closely located to the OEMs across the country. We operate about 2,500 plus vehicles as of today which is mix of dedicated and owned fleet. When I say dedicated, it is not something like market hiring, but a long-term dedication to Om Group. The entire fleet is branded as Om Logistics.

**Q: How do you manage between time and costs in your business?**

Yes, time and costs are definitely the most important factors in this business and they are the KPIs for our business model. I should say that we need to make a substantial mix of both to make the ends meet. Let me tell you, customers today are ready to pay a premium to Om Logistics for the services we offer. Customers feel that Om Logistics can be trusted for the money they pay in terms of efficiency and timeliness in the services that we offer.

On the other hand, we also provide adequate cushioning to our supplier side. For instance, we take very good care of our drivers so that they render the most efficient service levels to the client. **MG**