

# Backed by Shell, LogisticsNow set to improve transportation biz

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In a bid to bring in more transparency in the fragmented road logistics segment, Shell-backed LogisticsNow recently launched a benchmark for contracted freight on full truckload freight for medium and long haul lanes.

“Manufacturers using road transportation do not have a trusted benchmark for freight rates. They rely on their own database. This benchmark will not just enable manufacturers to view freight range but also display top rated transporters and help them in freight price discovery,” Raj Saxena, founder and chief executive officer (CEO) of LogisticsNow told *Business Standard*.

Over 65 per cent of the country’s freight gets transported via trucks.

‘LoRRI Benchmark’ has a dedicated data analysis team that pools in data from the transporters, manufacturers and government sources to offer a strong base for its customers. Today, the benchmark offers 20,000 routes across the country and has 650 logistics companies on the platform.

The focus of ‘LoRRI Benchmark’ on the full truckload is mainly because 70-80 per cent of the total road transport industry, in terms of value, is full truckload, added Saxena.

LoRRI Benchmark beyond a point is paid usage. However, it offers services to a wide range of manufacturers as well as transporters from small-and-medium-enterprises to large organised commercial entities.

While the company is engaged in adding more routes to the benchmark, it aims to move into rail freight



in the coming six to 12 months.

“Full truckload alone is more than 60,000 routes today. However, we cover only 20,000 routes at present. In less than three years, we will have all these major and minor routes on the platform. The idea is to focus more on road and rail. We are looking at a combination of these,” said Saxena.

On its plan to foray into the rail sector, the firm is in discussions with both private players as well as the Indian Railways. But it is seeing more value in the private segment due to price dynamics. This is because government freight, being more controlled, will not have scope for tech-enabled logistics business of LogisticsNow.

“In the private rail segment, it is the demand-supply equation which will help in price discovery. So, there is more scope for freight transparency and a level-playing field,” said Saxena.

Meanwhile, LogisticsNow

is also looking to build multiple products for the logistics and transportation ecosystem.

It plans to launch LoRRI Procurement, which will allow procurement of goods in a transparent manner.

A crowdsourced rating platform for transporters is also on its way where truckers hired will see their trips and services rated by the customer.

This will pave the way for more reliable services. “About 200 transportation firms have already been rated and benefitted via increased business,” added Saxena.

Ahead of the Covid-19 vaccine distribution, LogisticsNow has entered into frozen goods transportation, where it has mapped several routes in India for refrigerated transportation.

“So, if Serum wants to see how or which transporters can send its cargo, it is just a click away. We are still to initiate talks with Serum for this initiative, but have been advised to do so,” said Saxena.

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