

'India has tremendous scope for improvement in logistics infrastructure'

Pradeep Joseph, GM, Ahlers India, explains why the company's growth plans are India-centric amidst the shifting balance of world economies

Ahlers recently held its group board meeting in Mumbai. What does that signify for the company?

The just concluded Ahlers NV board meeting was only the second instance when such a meeting was held outside Europe (previous occasion being in Russia). This implies the tremendous importance the group company attaches to

strategic importance to Ahlers' growth plans and India prominently figures in it.

The company finds India's growth potential quite impressive. Which are the key segments that drive this growth?

India has tremendous scope for improvement in basic and especially logistics infrastructure. Moreover, India is a major contributor or partner in the infrastructure development of third world countries, especially in the African continent.

We see tremendous potential in handling turnkey projects to third world countries, shifting of manufacturing plants from west, the burgeoning growth of Intra Asia trade and the unique solutions which Ahlers can provide in challenging logistic sectors like Baltic & CIS.

Having seen such potential, isn't the company's 9% growth in India during 2010 insignificant compared to the growth achieved by many of your competitors? That too for a company whose Indian operations are seven years old?

Ahlers achieved double-digit growth in all the years since its inception. We have a seven-fold increase in turnover and profits in the last 6 years. Even during the recession year of 2009, we managed an impressive growth of close to 15%.

In 2010, the project movements were down globally, and this invariably affected our growth, as project cargo movement contributes a sizeable portion of our revenue budget other than a key strategic focus.

Going forward, you are considering investment in infrastructure, besides adding more offices. What do you mean by that?

Ahlers have diversified interests in investments on logistics hardware and are considering various proposals with the assistance of reputed consultants, which will be finalized the course of this year.

Ahlers was started with 3 offices in 2004 and presently has 12 offices spread across India. However to keep growing a organization, we have plans to expand our reach



Ahlers have diversified interests in investments on logistics hardware and are considering various proposals which will be finalized soon

Pradeep Joseph
Ahlers India

their growth plans and future strategies specific to India.

As far as Ahlers India is concerned, this gives a tremendous boost to the motivation level to our staff and gives them more opportunities to expand their knowledge base, working on a global platform.

Ahlers India is the key to the company's expansion plans in Asia for the next few years. Which are the factors that influenced it to have such a strategy in place?

It is an accepted fact that South East Asia, Indian sub-continent and China are the growing markets in the new world economic order.

With India-China trade expected to overtake transatlantic / transpacific trade volumes before the end of this decade, Ahlers have foreseen this growth well in advance and have strategic presence in all the major hubs in both these countries and of course in emerging economies like Vietnam and Thailand.

Intra Asia trade will be of

North and western India and are considering opening office in Gujarat by Q3 of 2011.

Despite obvious shortage of talented professionals to service the sector, companies, both local and foreign, have been talking high of their strong and experienced management

team. Is it just moral boosting? Or does that mean the ability to circumvent the country's complicated rules and regulations?

For any international organization to thrive in Asian markets, I feel there should be an appropriate mix of local flavor and international

expertise, supported by state of the art systems and processes.

Our management team comprises of personnel who have been in logistics industry since the last 2 decades and have proven experience in different streams. This experience gives us sufficient expertise in handling the challenges we face and think out of the box for innovative ways of doing business.

Ahlers also believes in picking promising but raw talents from the campus and grooming them into future managers, after making them go through the grind of all facets of shipping. We have started this exercise last year and it has been proven a success story so far.

According to you, what are

the significant differentiators between Indian and global logistics professionals?

In today's world, all successful professionals need to have a global outlook and awareness and knowledge of internationally accepted shipping practices & SOP's backed up by fair knowledge of maritime law and international Conventions.

In a more regularized market like Europe, we find that the number of such professionals will be significantly higher compared to growing markets in Asia. However, due to the emerging shift in the balance of economy from West to East, it is surely compelling more professionals to come up in Eastern world also.