

Tapping the city granite market

TN-based logistics firm wants to set shop in city to garner polished stone segment

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BANGALORE: Apart from being the Silicon Valley or IT hub of India, the city is also known for its granite exports. Being a landlocked city, logistics majors are keen on exploiting the opportunity of transporting and shipping granite (raw) as well as finished products from the city. Having consolidated its presence in the rough blocks market, Tamil Nadu-based **PSTS Logistics Pvt Ltd** is now eyeing a major share in the finished products including marbles, slabs and tiles.

"We provided end-to-end services and as a downward integration we have also taken up packing at the exporter's premises. We now want to have a strong presence in the

polished granite segment. With offices in Chennai, Tuticorin, Vizag, Ongole, Madurai and Cochin, we wanted to expand further in the Southern region. The natural choice was to look at Bangalore and Cochin. We want to offer our services in various verticals of the logistics business such as Custom House Agency, Freight Forward, Inplant Material Handling and Transportation to grow our business," PSTC Logistics joint managing director J Ganesh Ram said in an exclusive interview.

"We have a presence in the Central Warehousing Corporation at Whitefield and will have to look at establishing an administrative set up. We expect to spend Rs 1.5 crore in the expansion activity through

internal accruals. Our investment is going to be largely in equipment and we will take a definite call on that only when we are sure of a stable contract. We can't allow equipment in this business to idle. We expect to achieve break even in the CHA business in five to six months, while in material handling the profits are almost there from day one," he said.

"We should have entered the Bangalore and Cochin markets a decade ago. From Bangalore, we hope to reach out to the cement industry in Sedam of Gulbarga. We expect to launch our Bangalore operation by the third quarter. Ours is a third generation family business established 67 years ago. We can now provide the entire gamut of services



FILE PHOTO

The robust Indian economy has propelled higher exports.

from stevedoring, shipping, custom clearances to inplant logistics services," he said.

Keeping in mind further growth needs of the company, he said it proposed to tap the capital market. Raising funds is definitely on the cards. We are

toying with private equity or IPO. However, our inclination is towards an IPO and we want to disinvest 30 per cent of our holding. The issue is still in the initial phase and we hope to tap the capital market by the end of next fiscal, he said.