

From a teen to a tycoon of the logistics industry: VRL success mantra

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Abstract

A daddy's anxiety about his young son's decision to dive into an unknown business terrain proved wrong. Little did Dr. Vijay Sankeshwar's father realise that his 19-year-old son's record into the transport business would make him an industry tycoon someday.

VRL (Vijayanand Roadlines Ltd) is committed to give quality & reliable service for on-time delivery from source to the destination. Within a short span of time VRL has emerged as the prime and the largest fleet owner of commercial vehicles in India's private sector.

Keywords: logistics, supply chain management, fleet management

Introduction: About the case study

VRL was founded in 1976 by DR. Vijay Sankeshwar in Gadag, a small town in North Karnataka with a single truck and a vision that was way ahead of its time. VRL gradually expanded its services to Bangalore, Hubli and Belgaum. From this humble beginning VRL has today grown into a nationally renowned logistics and transport company which is also currently the largest fleet owner of commercial vehicles in India with a fleet of 4835 Vehicles (Including 362 Passenger Transport Vehicles & 4473 Goods Transport Vehicles amongst others). VRL finds mention in the Limca Book of Record as the largest fleet owner of commercial vehicles in India in the Private Sector. Mr. Vijay Sankeshwar has now been joined by his son Mr. Anand Sankeshwar who brings in newer strategies to further drive the growth of the Company.

Over the years, VRL has pioneered in providing a safe and reliable delivery network in the field of parcel service. It has spread its operations to Courier Service, Priority Cargo & Air Chartering to meet the growing demands of its burgeoning customer base.

3PL & Warehousing solutions offered by VRL are tailor-made and cater to unique needs of its diverse customer base. With the largest goods transportation network in India, VRL parcel service is indispensable for a large number of Corporate Houses. This network spans the length and breadth of the country and is supported by strategically located transshipment hubs. We operate through a network of 958 Branch and franchisees to cater our valuable customers and we are now in the process of expanding our services to reach even the remotest locations of the Country. VRL Services Spread across 23 states and 5 union territories in India. It has a nationwide network and provides Third Party Logistics Services (3PLs).

VRL has not only built a company, it has also developed a culture among their staff, right from truck drivers to the top management. A sense of responsibility, honesty and dedication is inculcated in each of VRL team member. This is what makes quality & on-time service possible. VRL has given employment to over 15,000 employees and its growth & success is attributed to this strong workforce. This

coupled with the strong in-house Information Technology (IT) would propel the Company to newer growth pinnacles in the days to come.

Strengths

Table 1

Operations (State)	23
Union Territories	05
Cities Covered	586
Branches	958
Vehicles	4835
Workforce/ Employees	15000 Plus
Traded as	BSE:539118 NSE:VRLLOG
Recorded in	Limca book of records for having largest fleet of vehicles
Turnover	Rs. 2118.54 Crore (March 2020)

Services That Made VRL Strong Brand in Indian Logistics Industry

General Parcel and VRL Priority

General Parcel forms the core of VRL's business and involves pan Indian movement of consignments of varying size and weight across the country on a Less than Truck Load (LTL) godown to godown Basis. The Company also provides the option of door collection and door delivery to the customers at a cost. The Priority Cargo business involves door-to-door delivery. VRL offers its goods transportation services across 22 States and, 5 Union Territories covering all major cities and towns in India. VRL has its exclusive offices across 553 towns and cities in India. Operations in this division are conducted through a network of 929 branches and franchisees. VRL differentiate themselves from other service providers through our wide service network, as well as its ability to provide door-to-door services through company-owned vehicles. VRL provide their customers with billing, collection, load tracking, pick-up and delivery services. Operating through owned vehicles enables safest possible movement for consignments with lowest incidences of theft, pilferage, damage, etc.

- *Surface transportation for best last mile connectivity
- * Online track & trace facility
- * Dedicated company owned vehicles
- * 24x7x365 days operations
- * Consignment size ranging from 1 kg to 40 tons.
- *Door pick-up and door delivery facility
- * Dedicated customer care window
- * On-time delivery
- * Extensive nation-wide network
- * Best in class service record

Courier Service Business

VRL offer Courier services for time sensitive documents and packages. Presently, its Courier offering is available within the State of Karnataka. Certain major out-of-Karnataka locations are being serviced through tie-ups with other operators. Our Courier business is operated in 109 towns and cities. Apart from catering to walk-in customers, we also pick up commercial documents and packages directly from customers and deliver these to their assigned destination in a time-bound manner on a door-to-door basis. In compliance with Indian laws, we do not provide service in relation to mail and letters. VRL service offering in this vertical includes: time-certain deliveries of documents and packages and local ground transport for hand-deliveries.

- *Door to Door time bound service
- * Multi-Modal Connectivity Time bound Deliveries
- * Special Service to and from Remote locations
- *Topay / COD Facilities on Delivery
- * Return / Reverse pick-Ups
- * Late Pick-ups and Early Connections
- * Cash management and L.C. Service for Bank

Full Truck Load services (FTL)

VRL provide FTL service to our customers by leveraging our broad base of select branches as well as through our network of independent brokerage agents. VRL provide door-to door FTL service to its customers, in which the goods are loaded on to our vehicle at the premises of the customer and then delivered to the specified destination. This service is typically used by manufacturers that have large quantities of goods to be transported and is offered at a pre-determined price. In general, VRL provide FTL services to optimize capacity utilization of our vehicles or to those customers who offer attractive margins. VRL maintain our network of independent brokerage agents that have partnered with us for a number of years. Brokerage agents complement our network of our branches by widening access to customers requiring such FTL service.

VRL Travels

VRL is one of the front runners in the Indian Passenger Travel Industry amongst the private sector players. These operations are conducted under the aegis of "VIJAYANAND TRAVELS" covering more than 350 routes connecting nearly 100 destinations with over 362 luxury Buses / Coaches. It is the Market Leader in Karnataka's Private Passenger Travel Industry. Our customer have the choice of several bus types, viz. AC / Non A/c Sleeper coach, AC / Non A/c Semi Sleeper / Seater, etc. Our fleet comprises a wide range of vehicles of several makes such as Volvo, Isuzu, Ashok Leyland, etc. to cater to every customer pocket preference.

Key Highlights

- ISO 9001:2008 Certified Operations.
- Service in the states of Karnataka, Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat Rajasthan and Goa.
- Pre-dominant fleet of Multi Axle Seater / Sleeper Volvo Coaches amongst the private operators.
- Pioneer in launching direct bus service from Karnataka to the commercial centres of Jodhpur, Ahmedabad & Surat.
- Largest fleet of Volvo Multi-Axle buses in the private category.
- Drivers Special Training Centre at Hubli for safe driving.
- 24 Hours Customer Care for quick resolution of passengers' complaints. No. 0836 2307300
- Buses on contract at special rates for the pilgrimage centres like Shirdi, Tirupati, Shabarimalai, Pandharpur & Dharmasthala.
- Supply of buses at special rates for marriages and school / college trips / Corporate Contracts.
- Well planned passenger facilities at major centres like Bengaluru, Hubballi, Bijapur, and Chitradurga & Tumkur.
- Special focus on clean toilet facility for ladies and elderly passengers.
- Individual entertainment screens in select long route buses.
- Stoppages only at exclusively identified good quality locations for hygienic food for long journeys.
- Exclusive restaurant at Tumkur to cater to the taste buds of passengers.
- Huge network of agents spread across the country and online booking facility for easy reservation of seats.
- Tie-ups with travel majors such as redbus.in, makemytrip.com, abhibus.com, etc.
- Connecting journeys for key locations to Tier - II & Tier - III locations.
- Establishment of state of the art Washing Units at key locations for maintaining cleanliness of Buses.
- Double drivers aboard every bus for safe travel.
- Pioneer of "Lady Seat" concept.
- One of the only few private operators to provide bus back-up facility for breakdown etc.
- Internal CCTV cameras for safety of passenger belongings.
- Attractive discounts on offer for online bookings.
- Best in class punctuality record.

VRL Outdoor

VRL permits the usage of its vehicles for branding. Reputed corporate have had tie-ups with us in the past and these include Mahindra & Mahindra, Bosch, Maruti, Michelin, Hindustan Petroleum, United India Insurance, National India Insurance, etc. Our vehicles criss cross the entire Indian Highways stretch and offer a significant value addition and great brand recall for your products.

Other Services

Within the goods transport domain, VRL also has capabilities for the transportation of vehicles (cars) and liquid transportation. VRL owns a fleet of 101 car carrying vehicles and is a vendor of choice to reputed clientele such as Maruti, Nissan, Hyundai, Toyota, etc. The Company also operates 17 tankers for transportation of liquids and

chemicals. These are presently being used for transportation of fuel, molasses and the like. Based on specific client request, VRL also undertakes the movement of specialized cargo such as delicate testing equipments, high voltage testing equipments, high voltage control panels, high voltage circuit breakers, automobile chassis frames, extra wide cabins, glass, high capacity transformers, etc.

Case Questions

1. What are the success factors of Logistics industry Tycoon VRL?
2. What motivated Dr. Vijay Sankeshwar to Start the India's biggest logistics service?
3. How VRL is able to sustain in the dynamic logistics industry?

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