

## “We envision to come up with 60 full-fledged Automalls by 2014”

We are aiming to reach the remotest sections of the country, empowering people to explore the galore of pre-owned vehicles and equipments, shares **SAMEER MALHOTRA**, Chief Executive Officer, Shriram Automall India Ltd in an interaction with EPC World.

The advancement in transportation segment has escalated the demand for commercial vehicle industry. However Shriram Automall India Ltd entered the segment recently, why such a delayed entry?

On the backdrop of government's decision to prioritize infrastructural development and advance logistics, we had anticipated an escalation in demand for commercial vehicles. As for our entry into the segment, Shriram Group had spotted the unmet need in the industry long before anyone else could even think on these lines. And as they say early mover reaps reward, in no time Shriram Transport Finance Company was leading the segment. The arena of pre-owned vehicles and equipments was a great reservoir of untapped potentials. Identifying this opportunity and leveraging on the experience, Shriram Group launched the concept of Shriram Automall, an ideal platform for buying and selling of pre-owned vehicles, construction equipment, and agricultural implements.

In February 2010, when the phenomenon called Shriram Automall was brought to life, we expected it to leave its footprints strongly imprinted across geographies of India. Our entry was timed aptly, as India's development was rocketing sky high, we looked at potential solution and the opportunity was born.

Since the last two years, SAMIL has been catering to numerous sectors. Reviewing the order and demand inflow, which are the major segments driving your sales growth?

Our journey over the past two years has been simple, humble yet impactful. We are proud to meet demands from diverse segments - ranging from commercial vehicles to construction and agricultural equipments. Reviewing the order and demand inflow, our business is driven not by one but many growth drivers, be it commercial vehicles or equipments, each has contributed a great deal in our success story. Each category has played an instrumental role in achieving our current stature; it will be unfair for me to quote a single segment as a front runner over the other.

You recently inaugurated facilities at Kochi in Kerala and at Mahaboobnagar, Andhra Pradesh. What were the basic



### principles behind opting for these regions?

Shriram Automall is the one stop destination for customers in even the smallest city. We are aiming to reach the remotest sections of the country, empowering people to explore the galore of pre-owned vehicles and equipments. SAMIL now envisions reaching even the smallest town and city. The epic success of our existing Automalls reflects upon the potential of the pre-owned vehicle and equipment segment.

We have also observed that South India leads the country in terms of commercial vehicle market. After our successful Automall establishments in Hyderabad, the recent one in Mahaboobnagar and now with this Automall in Kochi, we are well poised to tap the vast potential of the pre-owned vehicle and equipments market in the region.

### Indian commercial vehicle market already has numerous major global and domestic players, considering this how has SAMIL strategized in combating the competitive market sphere?

Indian commercial vehicle market is growing each day, thanks to the increase in infrastructure spend and rapid urbanization. The arena is highly competitive, with more than a few global and domestic players; however SAMIL stands apart in the race.

The industry experts estimate the annual value of used vehicle and equipment business (commercial vehicles, agricultural and construction equipment) at ₹75,000 crore, which is probably the size of the new vehicle business in the country today. We are currently leading the pre-owned commercial vehicle and equipments market. We are India's only organized service provider of an exhaustive range of articles like pre-owned heavy and commercial vehicles, construction and mining equipments and any other assets.

On a strategic and tactical level, we focus on improving our local capacity and operational efficiency while also developing an aftermarket proposition. We believe in strengthening our customer relationships to defend their market shares.

### The demand for transportation is driven with the rise in infrastructure and constructions; today a focus shift is seen from tier-I and metros to tier-II and tier-III cities. Will SAMIL adopt any strategies to tap in this infra focus divergence?

The shift from tier-I and metros to tier-II and tier-III cities seems explicable. The tier-II and tier-III cities represent a great opportunity for infrastructure development, especially for the cities receiving funds under JNNURM sanction. SAMIL had foreseen the opportunity and considers its expansion in semi urban and rural sector as its next growth phase. As a fact, we envision to come up with a total of 60 full-fledged Automalls by the year 2014. We are exponentially increasing our share of business in the trucking industry.

### SAMIL offers numerous platforms like online and physical bidding processes. Can you elaborate on these services

### and why should a customer opt for SAMIL services?

To bring together the buyers and sellers of used equipment and vehicles on a common pedestal, Shriram Automall is conducting as many as 100 physical bidding events per month at the Automall facility. The physical bidding platform also ensures complete transparency to each customer. Our online bidding platform provides an easy to use alternative instead of on-site physical bidding event. We set up an easy to use, segment specific online bidding platform that broadcasts bidding events from locations across the country and streams directly to a bidder's computer.

We ensure that once the customer associates with Automall, the entire experience for him becomes unforgettable. We offer services that reassure our end users that they have come to the right place. We help our buyers within their planned budget which goes a long way in narrowing down their hunt for the right used equipment without putting a restraint on the brand.

Additionally, as part of our assurance to offer our sellers an absolute peace of mind, we make certain that their asset goes through a customary procedure and ends up in deserving hands. We offer unparalleled services and highest standards of ethics and integrity to our customers.

### How does SAMIL's consulting and end-to-end service aid the Indian customers to understand the market needs and vehicular efficiencies?

Strengthening the company's core values of customer service, transparency and accessibility, Shriram Automall facility offers a range of services apart from acquisition and disposal of pre-owned vehicles and equipments. We offer consultation on services such repair and refurbishment of old and worn out vehicles, valuation services for the price determination of asset, easy finance options, general insurance and assistance with documentation and compliance for a smooth transition in the ownership.

Our skilled workforce enables the customer to be aware of the market. Customer is given an insight on how to select and access the service that is of essence for the need. We ensure that all queries are answered, this subsequently, helps the end user to be more responsive and decisive.

### Survival success of any entity in Indian mainland prevails upon their presence among the customer base. Considering this, has SAMIL outlined any more such expansion plans for the current fiscal?

Our geographic presence extends across the country. Stretching from Maharashtra at the western edge to Kolkata at the eastern rim of the country, Jammu at the Northern Frontiers to Kochi in the South, we are extending our reach far and wide. We are constantly looking for possibilities to expand. As mentioned earlier, we aim to establish a total of 60 Automall across the country in the current fiscal.

We are proud to have a loyal consumer base across different locations on the Indian Atlas. We are forever endeavoring to connect the remotest sections of the country, by offering unparalleled services to the customers.