

Ecom Express plans 7 warehouses in 2 years

New Delhi: Logistics firm Ecom Express Pvt. Ltd plans to set up seven large warehouses with pick-up, processing and fulfilment facilities over the next two years to speed up product delivery. "As we go forward, we want to invest in larger hubs," said co-founder and director K. Satyanarayana. It will allow the firm to deliver at least 80% of shipments within 24-48 hours, he added, faster than the average 24-96 hours it takes now. The size of these warehouses will be 300,000-500,000 sq. ft and the first of them is expected to be set up by the end of this year.

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deliver at least 80% of its shipments within 24-48 hours, he added, faster than the average 24-96 hours it takes now.

The size of these warehouses will range between 300,000 and 500,000 sq. ft and the first of them is expected to be set up by the end of this year.

Ecom Express also plans to raise \$200 million by April to fund its expansion plans and will actively start searching for investors in January after the festival season ends. "We need to raise funds for our

growth trajectory," said Satyanarayana.

The company last raised around Rs850 crore in June 2015 from global private equity firm Warburg Pincus.

According to Satyanarayana, most of the company's existing investors, including private equity firm Peepul Capital, exited during the primary and secondary rounds.

SSN Logistics Pvt. Ltd, which operates rival Delhivery, raised \$85 million in a round led by venture capital firm Tiger Global Manage-

ment Llc in May 2015.

In a bid to expand its revenue stream, Ecom Express will also offer its 300-odd clients, including Amazon, Flipkart and Snapdeal, the option to stock their inventory in these warehouses.

Ecom Express currently has 33 small hubs for its complete last-mile operations besides 30 processing centres.

The size of these hubs and centres range between 5,000 to 100,000 sq. feet.

The company, which cur-

rently has almost 1,200 delivery centres, also plans to take the number to 3,000 and expand its employee base to 25,000 from 14,000 currently in the next

two years, as part of its expansion plan.

It also plans to give full-state coverage to 20-23 states over the next two years. It covers only seven states fully, although the company delivers goods across all 29

states in the country.

Ecom Express has hired additional staff to take care of the spike in deliveries during

the festival season.

It expects its shipment volume to be around 500,000 units per day in October, double the volume shipped during the same time last year.

Flipkart will hold its annual shopping festival, Big Billion Days, from 2 to 6 October.

Amazon India (Amazon Seller Services Pvt. Ltd) has also expanded its product selection by three times to 80 million, added thousands of new sellers and grown its off-line shopping initiative ahead of the festival season.

The company is expected to hold several sales events in October.

Snapdeal Jasper Infotech Pvt. Ltd) is also firming up plans and is expected to hold a sales event ahead of Diwali.

The logistics firm seeks to raise \$200 mn by April to fund its expansion plans