



Shashi Kiran Shetty,
founder and chairman,
Allcargo Logistics

Proving its Mettle in a Tough Business

Allcargo Logistics has built an enviable bouquet of offerings. Why then are the markets not impressed?

By SAMAR SRIVASTAVA

An American business sending a half-container load of goods to Antwerp or an Indian company supplying auto parts to a car manufacturer in Gurugram or leasing space in a logistics park could conceivably do this by entering into an agreement with just one company, Allcargo Logistics. With its wide variety of offerings in the logistics space, the company has positioned itself as a one-stop shop for businesses that need to move goods quickly.

It's a unique offering that resonates with business owners and is not something that Allcargo's Indian rivals have been able to build. "Pre-2020, we didn't have any presence in the domestic [logistics] market. The company now stands a lot taller in the domestic arena," says Shashi Kiran Shetty, founder and chairman of Allcargo Logistics. Over the last three decades, he has scaled the business to a market cap of ₹9,000 crore.

In doing so, Allcargo has emerged as the world's largest consolidator of ocean freight in the less-than-container load (LCL) category. Its latest quarterly numbers released in February showed it had a 15 percent share of a worldwide market, which is fragmented. It now aims to start building scale in the full-container-load category, where its share is 1 percent. Together, the global ocean freight business accounts for 90 percent of topline and makes the company a play on the global trade cycle.

While Allcargo has clearly demonstrated its ability to scale and build a worldwide lead in the LCL business, the market has been less than impressed by the sum of its parts. Over the last five years, even as