With Amazon and Halidrams as its client, this logistics startup is bringing AI to the sector

Sindhu Kashyaap ( )

Yourstory • 31 March 2020, 5:15 am

The logistics sector, one of the biggest in India, has come to a standstill with the coronavirus pandemic. Further, the 21-day lockdown has not helped the situation but has brought a slew of problems for the sector, such as **the delay in orders shooting up to 21 percent and shipments that are stuck to nine percent.**

An IBEF report marks logistics as a $200 billion industry, employing over 40 million people.

And, despite having a handful of tech logistics startups in India, the sector needs organised players and disruption. This led **Sachin Haritash, Rohit Jain, and Atul Kwatra to start Mavyn.**

> "Logistics has always been an unorganised sector in the country. For the simple reason being that this function was always the last priority for enterprises. The past few decades saw involvement from third parties, however, that arrangement too had its repercussions since it was done manually. During my time at Chetak, I thought about bringing technology in the segment, and how it would impact the logistics industry," says Sachin, one of the co-founders.

He thus started **Mavyn in Delhi-NCR in April 2018.** It is a digital trucking startup that focusses on truckload transportation. An app and web-based freight exchange platform, **Mavyn provides the end-to-end shipping needs of companies with the help of artificial intelligence (AI),** where shippers can book shipments within seconds.

Mavyn team

Also Read

Founded by IIT-KGP alumni, logistics startup LetsTransport is eyeing the $30B intra-city market

The workings

> "The trucks and drivers which we provide on our platform are properly screened and verified to maximum security. As the journey of the shipment begins, we provide live coverage through the Mavyn app and give timely updates to the shipper. All payments such as transaction costs and other charges are made in one single go through the app," he adds.

The startup has been the logistics partner for brands like **Amazon, Flipkart, Haldirams, Urban Ladder, Marico, Hindustan Unilever, and others.**

"When we started building the platform, the biggest challenge we faced was building a team, and giving confidence to them to turn this into reality. To overcome this, we continuously focussed on quality and service," says the co-founder.

> Sachin adds that the logistics sector is completely human dependent. "According to (my research), technology was the need of the hour. New technologies are enabling greater efficiency and more collaborative operating models. They're also reshaping the marketplace in ways that are only just beginning to become apparent."

At present, **Mavyn has a 38-member strong team, where Rajesh Haritash works as the CTO, and Arun Arora, as the Director of Strategy and Communication.**

What does it do?

The whole process of digital logistics starts when a potential shipper logs into the Mavyn website or app. After registration, the shipper gets an option to avail of the kind of services he/she wishes to. The platform offers the most competitive rates to the shipper using AI. Post that, through the verified fleet of trucks and drivers, a truckload transporter is allocated to facilitate the movement of the shipment from one place to another.

The shipper has the facility to track the live movement of the shipment. Mavyn app has an in-built auto alert through SMS and email.

"These timely updates from our side are provided to ensure that there are no bottlenecks in this process. We enable shippers to make all payments in one go and provide prompt payment to truckers," says Sachin.

The platform operates digitally and uses AI to refactor the end-to-end transportation process, aiming to provide the best price and on-time delivery.

> "It is a third-generation business model, the only company in India to bring AI-based pricing. We provide the following benefits to shippers and truckers – shippers get AI and ML-based pricing, consistent and on-time delivery, and availability and access to vehicles in six hours. The truckers, in turn, get the regular business, secure and quick payment within 72 hours, convenience, and return business," he adds.

Also Read

An Uber for logistics, Hong Kong's first unicorn Lalamove makes India entry

The revenue and growth

The startup charges fare depending on the kind of service a particular client looks for. To that effect, it has three kinds of services in its offering– **Normal, Express, and Prime.**

Normal is availed by almost all kinds of industries and has the lowest freight rate. Express is used by auto, apparel, and tyre companies with an average rate of transportation costs. Prime is the fastest service that Mavyn offers, which is availed by e-commerce and courier companies for super-fast delivery. The freight rate is the highest in this service as these enterprises have tighter deadlines to make deliveries.

The startup has raised its Series C round from Chetak Group. The founders also helped at a personal capacity with some investment from friends.

Since its inception, **Mavyn has achieved year-on-year growth five times in a row, and has over Rs 10 crore order bookings that is constantly growing.**

> "We started with 25 shipments in April 2018 to 250 shipments in April 2019. It further grew to 600+ shipments in October 2019 and 675+ shipments in January 2020. Currently, we have a fleet of 6,528+ vehicles and the numbers are increasing every day. The revenue for the period April – December 2019 is Rs 21 crore, and growing," Sachin adds.

Moving forward

The recent coronavirus lockdown has changed numbers. **Sachin says e-commerce is 80 percent down because people are only buying essential goods.**

> "However, the FMCG part of the business has seen a 150 percent increase and will see a 200 percent increase in the coming times across India because people are buying these goods. But with borders sealed, this number will also be hindered."

The entrepreneur also says that the startup has seen a dip of 50-60 percent in business as customers have reduced their orders on Amazon and Flipkart, except for essential commodities.

Among its competitors, intracity and intercity players like **LetsTransport, Blowhorn, Lalamove, and Porter, as well as Delhivery, Ecom Express, Rivigo,** and B2B players like **Blackbuck** are disrupting the sector.

"The **cost of one shipment costs us about Rs 60,000 with a four percent gross margin.** We aim to become India's largest AI data-based digital truckload platform in India by 2021. We currently **operate in 30 districts and on more than 512 routes.** We aim to have our network spread across all districts of India with the number of **shipments exceeding 10,000 per day.** We have a robust order book which is increasing exponentially, and **Mavyn plans to achieve a top line of Rs 300 crore by 2021,**" Sachin concludes.

(Edited by Suman Singh)

How has the coronavirus outbreak disrupted your life? And how are you dealing with it? Write to us or send us a video with subject line 'Coronavirus Disruption' to editorial@yourstory.com