

Mahindra Logistics Keen to Enter Shipping

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Mumbai: Mahindra Logistics is preparing to enter the sea transport segment through partnerships and is in talks with two European liners for a tie-up, a top company official has said.

The move is aimed at preparing for a liberalised coastal shipping regime, where foreign-flagged vessels will be allowed to operate in the domestic waters.

“As soon as the waterways become lucrative enough or kind of cost benefit, we will go to the asset owners and make our business partners. That’s our model...this would be a tie-up with a shipping line,” chief executive Pirojshaw Sarkari told PTI.

He said the company, which is already into the roads and rail sector, has spoken to two European companies which are not averse to allocate vessels if the business model gets developed. He did not name the compa-

nies though.

That the shipping ministry is favourably looking at reviewing the Cabotage law is a good beginning, Sarkari said and his company is working overtime to be ready for the big policy change.

Under the present Cabotage laws, foreign flagged vessels are not allowed to operate in the domestic sector. But having understood the importance of sea transport in bringing down the cost of logistics, the government is se-

rious about liberalising these norms, according to reports.

When asked about possible time-lines for entering the new segment, Sarkari said there will be “regular movement” of cargo through the sea from next year. The necessary infrastructure is being developed by government and global shipping majors, which have been reeling under a difficult period since the 2008 global financial crisis, are happy allocating assets to India, he said.