

THE STORY IN FAIRPLAY

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Varun Shipping seeks new licence

Mumbai-based Varun Shipping Company Ltd (VSCL), which has just completed restructuring of its business, has sought a licence to operate its ships under Varun Global Ltd, a group ship management company.

This follows DG Shipping's withdrawal of its earlier licence given to VSCL. Varun Global Ltd will be the ship management entity of the group based in Mumbai focusing purely on ship management services for all the three sectors, ie, LPG, Aframax and Offshore. "We have put in a fresh application as we have reorganised the company under three businesses - one for tanker business, and another for gas tankers and the third one for offshore business," Yudhishtir Khatau, Varun's chairman and managing director, told IHS Maritime.

This independent ship management company has been set up to manage the vessels in line with international maritime business, where ships are generally owned in separate companies and management is centralised in a dedicated ship management company.

The company, which runs one of the world's largest fleet of LPG tankers, is exiting the VLGC business and in the process of selling its three VLGCs - Maharshi Vishwamitra, Maharshi Vamadeva and Maharshi Bhardwaj. "Once it is done, our debt will come down by \$60M," said Khatau. The company will focus on medium-sized LPG tankers, he added.

An informed decision to retain the ship management company in India is taken to continue the tradition of quality management within the country, dedicated to the specified sectors of LPG, aframax and offshore. Varun Global Ltd has therefore applied to the Directorate General of Shipping for an Interim Document of Compliance for the management of the Indian-flagged vessels on 13 February.