

TCI plans to boost coastal shipping biz

Subhash Narayan

subhash.narayan@livemint.com

NEW DELHI

Transport Corporation of India Ltd (TCI) is stepping up investments in its coastal shipping business with plans to induct new vessels and add capacity over the next few years, betting on rising demand for multimodal logistics and lower-cost freight movement.

The Gurugram-based logistics and supply chain management company has planned a capital expenditure (capex) of ₹550–600 crore in FY27, sharply higher than the ₹370 crore spent last year, with nearly half earmarked for ship acquisitions, managing director Vineet Agarwal said in an interview.

“We will be spending about ₹200–250 crore that will go towards making final payment for acquiring the two new ships coming from China. The ships will be delivered this year in the third and fourth quarters,” Agarwal said.

The company is also evaluating additional vessel purchases for the next financial year and is exploring opportunities to acquire second-hand ships to



Transport Corporation of India MD Vineet Agarwal spoke of planned capital expenditure of ₹550–600 crore in FY27 IIMB.AC.IN

further strengthen its fleet.

TCI currently operates six ships with a carrying capacity of about 78,000 tonnes. Two new container vessels of 7,500 dead-weight tonnes (DWT) each are expected to add another 15,000 tonnes of capacity this fiscal. The proposed purchase of second-hand ships would have a larger capacity of 20,000–25,000 tonnes.

Agarwal said the company intends to continue adding

similar capacity (about 15,000–16,000 tonnes) over the next three to four years even as some older ships begin nearing retirement.

Nearly half of the Gurugram-based company's planned capex has been earmarked for ship acquisitions

“We are planning orders so that we can continue augmenting capacity. We are more focused on increasing carrying capacity than merely increasing the number of ships,” he said.

The expansion comes as TCI doubles down on coastal shipping (domestic sea transport),

which the company sees as a high-potential and high-margin segment within its broader logistics portfolio. According to the company's latest annual report, the seaways division contributed around 11% of TCI's consolidated revenue of ₹4,965 crore in FY26, while accounting for a significantly higher share of operating profit because of superior margins.

“Shipping is a high-margin operation for sure,” Agarwal said, adding that the new vessels would strengthen profitability once operations stabilize after delivery.

Stok of TCI closed 0.5% higher at ₹904.75 on the BSE on Wednesday. Markets were shut on Thursday for a public holiday.

The company had earlier ordered vessels from a Japanese shipyard, but the deal was cancelled, leading to delays. TCI subsequently shifted the order to a Chinese shipyard, with deliveries now expected in the third quarter of the current fiscal year. TCI is also evaluating the purchase of larger second-hand ships in the 20,000–25,000 tonne category.

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