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## **SAIL and RINL seeks government signal to hire ships**

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BS reported Steel PSUs SAIL and RINL have sought the government's permission to make their own shipping arrangements to import raw materials. Currently, SAIL and RINL use the services of Transchart for importing raw materials, but according to the PSUs the charter firm is not always in their commercial interest.

Mr A Sai Prathap minister of State for Steel said "Proposals have been received from the SAIL and Rashtriya Ispat Nigam Limited for permitting them to make their own shipping arrangement to import raw materials."

However, he added that the government has not yet taken any decision on the matter.

SAIL and RINL route their imported raw material through vessels chartered by Transchart.

But, in view of the volatile shipping environment and individual requirements for the raw material, the steel firms are seeking government's permission to charter their own ships.

He said that "Both SAIL and RINL have represented that the policy of routing their cargoes through M/s Transchart is not always in their commercial interest, in light of the volatile shipping environment and their individual requirements."

The steel firms said that if the permission is granted, they might be in a better position to respond to shipping market dynamics and save on freight costs involved in transporting bulk raw materials.

(Sourced from Business Standard)

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