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Synergy Marine rings up 10 years in business

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Indian group celebrates its first decade this year, having positioned itself firmly among the industry's larger third-party shipmanagers and as one of the largest operators in the country's gas carrier market Synergy Marine Group faced insurmountable odds when it was first set up in 2006 by Rajesh Unni and his partners. It had no track record and India at that time was not a recognised international shipmanagement centre, even though Indian shipping professionals were active in shipmanagement in traditional Asian maritime hubs such as Hong Kong and Singapore. A decade later, Synergy manages a fleet of tankers, gas carriers, bulkers and boxships out of offices in Mumbai and Singapore, that totals in excess of 35 ships belonging to a who's who of the world's top owners. Unni maintains that Synergy's focus on working with top-tier owners is what has stood it in good stead during some of the toughest markets the industry has ever faced. "We have had a few difficult encounters with clients not paying bills but we have been lucky and not had to push the button too hard before the situation resolved itself," he said. "As we continue to grow the challenge is to pick the right partners." Shortly after it was established as a shipmanager, Synergy branched into shipowning, acquiring a modest fleet of bulkers, tankers and large LPG carriers. The bulkers were purchased directly, the tankers through deals that involved commercial management contracts with purchase options. The gas carriers were mostly obtained through joint ventures with existing players looking for an entry point into the Indian market.

Since then the company has sold off the tankers at a profit, while it has retained its six bulkers, three of which are owned out of India and three out of Singapore through a subsidiary called Global United. The company has no plans to expand its dry cargo fleet but will continue to operate its existing ships. "They are almost paid off, so there is no point selling them at today's pricing levels provided we can continue to cover the operating expenses," Unni said. Gas is where Unni suggests any further fleet expansion will take place. The ships it owns in joint ventures with foreign partners are all operated on long-term contracts with Indian end-users. The company continues to keep an eye out for further potential deals.

"We don't want to be speculative players and grow for the sake of numbers. We don't want to overburden ourselves. Right now we have no plans to add more vessels unless the right opportunity comes along," he added. Despite the tough conditions shipping is facing, Unni stresses his main concern at the moment, as both a manager and owner, remains the quality of qualified seafarers.

"People keep complaining that the quality of seafarers is declining. My question is what do employers do to make their seafarers feel valued? Society won't send you its brightest minds if you don't make them feel valued. Training institutions keep on churning out seafarers. There is no shortage in the lower ranks. The problem is the high loss of senior staff. Seafaring is not made out to be a good, long-term career. That is something that we need to change," Unni said.