



THE LOGISTICS LEDGER

Where consulting meets implementation in end-to-end logistics

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forv/s
mazars

PORTS & MARITIME SECTOR

1

India's fleet is growing three times faster; adds 1.58m GT in a single year

News brief

India's registered fleet hit \$14.2m GT in FY26 after 92 vessels joined the registry adding \$1.58m GT and 2.58m DWT.

Tonnage added this year is three times FY25 additions and represents nearly 65% of total fleet growth over the last four years.

Fleet milestone	\$14.2m GT crossed for the first time
FY26 additions	92 vessels \$1.58m GT \$2.58m DWT
Growth vs FY25	3x tonnage jump; ~65% of last 4-year cumulative total
Overseas fleet	42 vessels: oil tankers, gas carriers, bulk, containers
Coastal fleet	50 vessels: tugs, supply vessels, barges, dredgers
Top segment by GT	Oil tankers: 11 vessels, 737,582 GT (incl. 2 VLCCs)
Global flag entries	CMA CGM (4 ships) + Maersk (2 ships) via GIFT City IFSC
India's global share	Less than 1% of world shipping tonnage
Freight outgo	~Rs 6 lakh crore (~\$75bn) per year to foreign carriers
2047 target	Top 5 ship-owning nation; requires ~\$388bn investment



How we see it

**Why it matters**

- Incremental tonnage is moving into tankers and overseas vessels, indicating entry into freight-earning segments rather than domestic support capacity
- The 3x tonnage jump suggests policy incentives are hitting simultaneously; if sustained, compounding fleet growth becomes feasible
- A larger Indian-flagged fleet improves India's strategic position in any future sanctions environment; the BMI Pool (approved April 2026) now provides the insurance backstop that was previously a constraint

**What could go right**

- If current policy momentum continues, India could see a compounding effect where:
 - a. More vessels attract more cargo alignment
 - b. More cargo improves vessel utilisation
- Entry of global liners creates network effects, attracting more vessels under Indian flag because global liners set a benchmark that encourages others to flag in India for similar benefits
- Even marginal gains in cargo share translate into meaningful reduction in annual freight outflows

**Key risks to watch**

- The gap between fleet growth and cargo control remains large. Around ~90-95% of EXIM cargo is still carried by foreign vessels
- Tanker concentration risk: 11 of 42 overseas vessels are oil tankers; a shift in crude trade routes or refinery utilisation drop would hit fleet utilisation hard. Lower utilisation directly impacts freight rates and can weaken returns on recently added capacity
- Shipping cycles are volatile; aggressive expansion without long-tenor financing can stress balance sheets in downturns

2

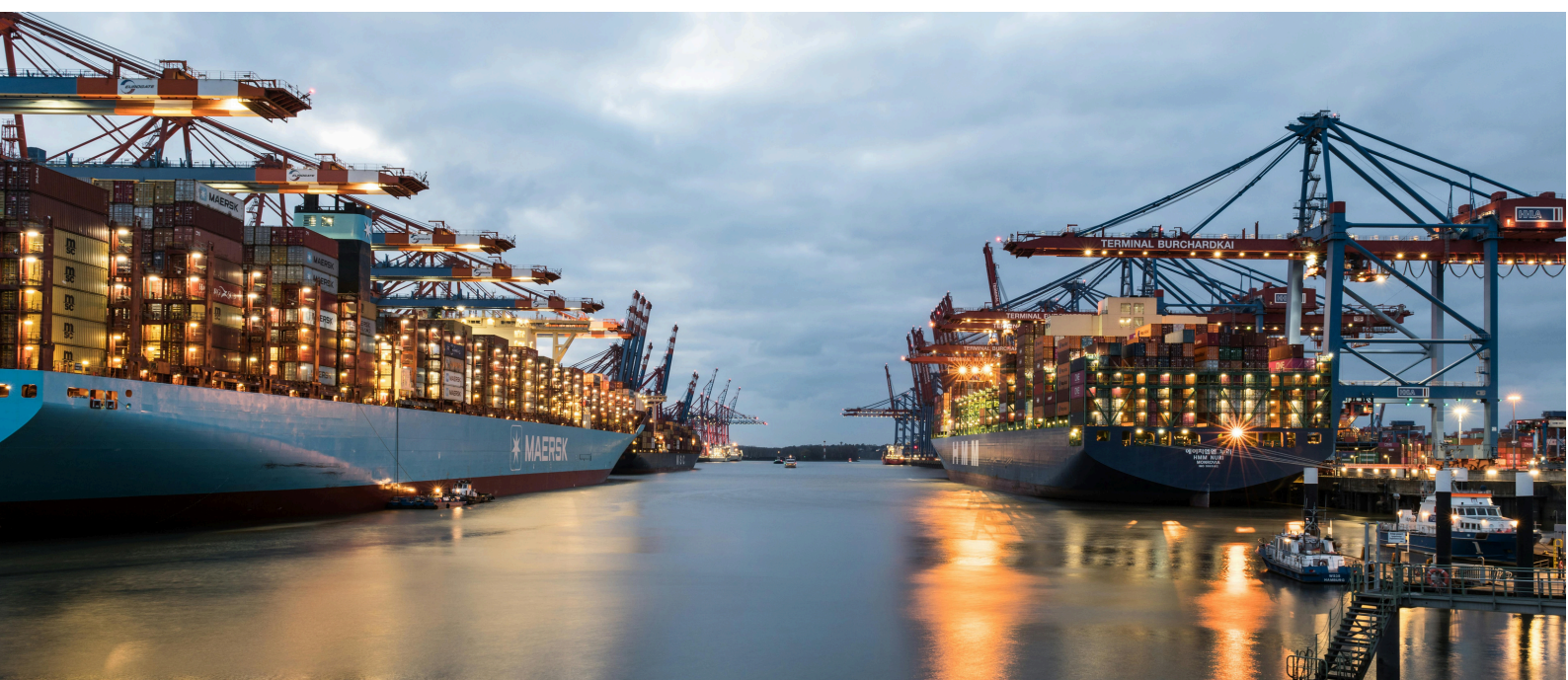
\$1.36bn sovereign guarantee of Bharat Maritime Insurance Pool (BMIP) gives Indian vessels the coverage backbone

News brief

The Government of India has approved **\$1.36bn** sovereign-backed maritime insurance pool (Bharat Maritime Insurance Pool or BMIP) to provide domestic underwriting capacity across hull, cargo, protection and indemnity, and war-risk segments.

The pool will be operated through participating Indian insurers with an initial underwriting capacity of **\$100m** and is expected to support Indian-flagged and India-controlled vessels, including those operating in high-risk routes impacted by geopolitical disruptions.

Pool name	Bharat Maritime Insurance Pool (BMI Pool)
FY26 additions	Rs 12,980 crore (~\$1.36bn at current rates)
Underwriting cap.	\$100m (combined pool member capacity/Maximum risk coverage limit)
Coverage scope	Hull and Machinery, Cargo, P&I, War Risk
Eligible vessels	Indian-flagged, Indian-controlled, India-origin/destined cargo
Corridor coverage	Includes volatile corridors: Red Sea, Strait of Hormuz
Governance	Governing Body to oversee formation and functioning
Duration	10-year coverage commitment (per minister's statement)
P&I dependency	India currently dependent on International Group of P&I Clubs (IGP&I)
Forex angle	Pool retains premium in India; reduces foreign exchange outgo



How we see it

Marine insurance, especially liability cover, is governed by trust, claims certainty, and reinsurance linkages, not just capital availability. Currently, Indian vessels rely on established global P&I clubs and international insurers that provide trusted coverage backed by strong claims history and global reinsurance networks. This arrangement has witnessed headwinds especially when the insurance costs have increased due to war in the middle east from 0.02–0.05% to as much as 1-3% of a ship's value, according to some estimates. The BMIP provides a much-needed respite with the potential to lower the insurance costs in immediate term. In the mid to long term, it is likely to have positive knock-on effect on building a complete ecosystem for Indian ship owning and leasing with initiatives such as Maritime Development Fund (MDF)



Why it matters

- War-risk and geopolitical shocks have made marine insurance a critical choke point in trade continuity. Insurance costs have surged making exports and imports more expensive with the potential to negatively impact trade from/ to India
- Insurance shapes financing and vessel operations; domestic capacity provides an alternative, reducing reliance on foreign insurers
- Makes it easier for Indian shipowners to get loans as insurance becomes more predictable and locally available



What could go right

- The guarantee as a backstop is likely to lower the costs of insurance for the target vessels, thus reducing the costs for ship owners
- Less reliance on foreign insurers may significantly reduce outflows of precious foreign exchange. Moreover, it is likely to add to domestic insurance capacity
- Even small shifts to domestic insurance can help retain significant value within India with Indian financial institution increased willingness to fund ship owning and leasing



Key risks to watch

- The Governing Body that has been established to oversee the pool's functioning and underwriting decisions has its task cut out to avoid underwriting unnecessary high-risk activities. This body is responsible for ensuring that policies aren't issued for "unjustified high-risk voyages" just because a guarantee exists



1

Port-led electrification pilots expand for cargo handling vehicles

News brief

- Major ports under the Ministry of Ports, Shipping and Waterways are piloting electric cargo handling equipment, including yard tractors and terminal vehicles
- Initiatives are part of broader green port and decarbonisation programmes
- Focus is on reducing diesel consumption in high-utilisation port logistics zones

Diesel-powered cargo handling (status quo)

Green Port & Shipping Policy (MoPSW)

Electric equipment pilots at major ports (now)

Grid & charging infra integration at berths

Full fleet electrification at scale



How we see it

**Why it matters**

- Ports are high-utilisation zones, making equipment on electric power ideal to operate even with high capex
- Electric cargo handling equipment displaces diesel consumption within the port boundary cutting fuel costs of port operating expenditure and reducing local air and noise pollution in densely occupied terminal zones

**What could go right**

- Electrification scales faster in ports than in open-road logistics because the operating environment is closed-loop equipment returns to a fixed terminal base after every run. This enables predictable overnight or shift-end charging without the range anxiety or public charging constraints that slow adoption in road freight
- Port cargo handling equipment operates on highly repetitive, measurable routes within the terminal the number of moves per shift, distance per move, and energy consumption per cycle can be modelled with precision, making lifecycle cost appraisal and financing far more bankable than for mixed-use or open-road fleets

**Key risks to watch**

- High upfront capital expenditure for electric yard tractors, reach stackers, and charging infrastructure requires a lifetime cost analysis, the business case depends critically on utilisation rates, grid tariffs, and equipment longevity; at low throughput ports, payback periods may extend beyond conventional financing tenors
- Grid compatibility and charging infrastructure at existing port berths is often underprepared for the load requirements of large electric handling fleets power augmentation, substation upgrades, and smart charging scheduling need to be planned and costed before procurement

MoPSW mandate

Green Port & Shipping policy framework

Pilot deployment

Electric yard tractors & terminal vehicles

TCO validation

Lifecycle cost vs diesel established

Grid integration

Charging infra at berths

Fleet scale-up

Full electrification across major ports

Green port

Lower carbon & operating cost

RAILWAYS

1

Rail capex scales up: 100 projects approved with \$16bn outlay

News brief

100 projects sanctioned in FY26
↑ 56% vs FY25 (64 projects)

\$16.0bn total investment committed
↑ 110% vs ₹\$7.7 bn in FY25

6,000 km+ network coverage
↑ 114% vs 2,800 km in FY25

Under PM Gati Shakti, Railways sanctioned 100 projects - new lines, doubling, multitracking, flyovers and chord lines aimed at decongesting high-density corridors and connecting tribal and remote regions. Over 35 projects exceed \$105m; top projects alone account for over \$3.0bn which form backbone of key corridors. The portfolio not only aligns with Mission 3,000 MT – announced in 2022 to scale railways freight target to 3000 MMT by FY27 (with current volumes at 1,670 MT in 2025) but also focuses on expanding rail connectivity towards tribal and remote regions of Chhattisgarh, Jharkhand and Odisha, thereby enhancing social infrastructure.



How we see it

A \$16.0bn construction wave means multi-year order books for EPC contractors, sustained steel and cement offtake, and critically a freight network that makes rail progressively cheaper versus road. In addition to conferring the wider economic benefits especially to backward areas, the projects have the potential to connect these regions to a rail-based freight movement. Rail already costs ₹1.96/tonne-km vs road's ₹3.78/tonne-km. As new corridors operationalise, that cost advantage will deepen vis-a-vis road movement. The net effect may open modal shift opportunities to rail.



Why it matters

- Decongestion translates higher asset efficiency enabling better integration of cargo centres this result into network-wide productivity gains
- Rail's structural cost advantage, alongside road's ~70% freight share, creates strong modal shift potential
- Rail capex sustains demand for steel and EPC services, reinforcing its role as a core infrastructure demand driver
- Expansion into resource-rich regions (Odisha, Chhattisgarh, Jharkhand) increases rail share in bulk commodities such as coal, iron ore, and cement



What could go right

- Multitracking of high-density routes can unlock higher train frequency, better asset utilisation, and reduced transit times
- Structural improvement in freight economics (lower cost per tonne-km + reliability gains) can shift long-haul cargo from road to rail and expand beyond bulk commodities
- Improved connectivity can drive industrial multiplier effects, supporting manufacturing clusters and export logistics via ports
- Network expansion can deepen regional economic integration and broaden freight catchment areas



Key risks to watch

- Execution backlog remains high: 488 ongoing projects, 44,488 km sanctioned vs. only 12,045 km commissioned (as of April 2024)
- Land acquisition delays, particularly in mineral corridor states, continue to constrain project timelines
- Last-mile integration gaps limit full logistics cost benefits until multimodal hubs scale effectively



LOGISTICS & TECHNOLOGY

1

India's biggest bet on organised logistics: CIDCO's 924-acre Navi Mumbai Integrated Logistics Park

News brief

- CIDCO has announced a 924-acre Integrated Logistics Park (ILP) in Pushpak Node, Navi Mumbai, one of the largest logistics infrastructure projects in the Mumbai Metropolitan Region. Phase 1 is underway, with Expressions of Interest invited for 12 plots covering 179 acres
- CIDCO will develop core infrastructure including roads, water supply, sewerage, and drainage, while private players will lease or acquire plots to operate warehousing, container freight stations, and light industrial facilities
- The park is structured into seven specialised logistics zones and is strategically located near Jawaharlal Nehru Port, the Navi Mumbai International Airport and key national highway networks
- The project is supported by Maharashtra's Logistics Policy and the MIDC Pass-through Policy, enabling faster private participation and streamlined approvals

Project	Integrated Logistics Park (ILP), Navi Mumbai
Developer	CIDCO (City and Industrial Development Corporation of Maharashtra)
Total land area	~374 hectares (~924 acres) near Chirle village, Pushpak Node
Phase 1 launch	72 hectares (179 acres) - 12 plots open for competitive bidding (EOI)
Infrastructure	7 logistics zones; 45m & 30m wide roads; water, sewerage & drainage by CIDCO
Key connectivity	Near Jawaharlal Nehru Port (JNPA), Navi Mumbai International Airport (NMIA), NH and rail links
Activities covered	Warehousing, container freight stations, inland container depots, light industries

How we see it



Why it matters

- Importers and exporters at JNPA face delays and high costs due to congestion and slow cargo movement. Heavy reliance on busy road routes increases turnaround time, and the lack of nearby logistics infrastructure makes operations inefficient and expensive
- Despite being at a key intersection of air, sea, and road networks, Navi Mumbai lacks sufficient Grade-A warehousing near this hub, creating a clear supply gap
- Seven dedicated zones ensure functional separation, avoiding congestion seen in older hubs like Bhiwandi



What could go right

- An ILP adjacent to JNPA could meaningfully reduce import/ export turnaround time, lowering costs for cargo owners and making Mumbai-based trade more competitive
- Demand for Grade-A warehousing near Mumbai is strong and undersupplied. The EOI process could attract established players like GLP, ESR, Welspun One, and IndoSpace, who are actively looking for well-located land near the city
- Maharashtra's MIDC Single Window Clearance system consolidates approvals from Fire, Water, Land, and MPCB into one portal for logistics (orange zone), consent can be issued within 24 hours of submission versus months under the traditional process



Key risks to watch

- Without direct freight rail into the ILP, container movement from JNPA will continue to rely on NH-348 and SH-54 - already congested corridors where trucks take 2–3 hours to clear the port vicinity, directly offsetting the efficiency gains the park is designed to create
- Aggressive bidding may price out smaller 3PLs, concentrating ownership among a few large players
- Delays in trunk infrastructure by CIDCO could push back operational timelines



2

Shadowfax launches self-serve logistics platform for SMEs, D2C brands

News brief

Shadowfax Technologies, a last-mile delivery partner for Flipkart, Meesho, and quick commerce platforms has launched Shadowfax 360, a self-serve digital shipping platform targeting India's SME and D2C ecosystem.

Platform	Shadowfax 360 - unified digital shipping platform
Launched by	Shadowfax Technologies Limited
Target users	SMEs, D2C brands, Shopify/WooCommerce sellers, marketplace-to-own-channel movers
Network coverage	15,166 pincodes across 4,519 touchpoints and 45+ lakh sq. ft of operating space
Pricing model	Flat-rate billing - no weight-based disputes, no minimum order commitment
Key features	AI-driven RTO (Return-to-Origin) Predictor, one-click Shopify/WooCommerce integration, fastest COD remittance cycles in category
Onboarding	Self-serve portal - register and ship within minutes, no technical setup or integration needed
Revenue impact	Projected 10-25% revenue growth over 1-2 years; Q3 FY26 revenue already at \$121.8m (+65.5% YoY)



How we see it

- Shadowfax is moving from a marketplace fulfilment role to building direct SME relationships, aligned with D2C brands shifting to Shopify and WooCommerce to reduce marketplace dependence
- This creates demand for a neutral logistics partner not tied to large marketplaces
- Differentiation comes from end-to-end network ownership, enabling more consistent delivery versus aggregator-led models
- Reliability is critical for small brands, where even a single failed delivery can lead to customer churn
- AI-led RTO prediction targets a key inefficiency, with 25-30% of COD orders returning in India, improving unit economics with even marginal reductions
- The key risk is retention, as self-serve onboarding may be insufficient for MSMEs in tier 2 and tier 3 markets without offline support



Why it matters

- India has 5.7 crore MSMEs, mostly micro and unorganised, paying the highest per-shipment costs and facing RTO inefficiencies; this is the gap Shadowfax is targeting
- 25–30% of COD orders fail. Each cost ₹180–240 in logistics with zero revenue. For a mid-size D2C brand, which adds up to crores lost every month
- D2C brands are moving from marketplace warehouses to direct Shopify/ WooCommerce shipping. This creates a new type of seller with no existing logistics contract



What could go right

- Network scale (15,166+ pincodes, 4,519 touchpoints) allows SMEs to plug into infrastructure without capex
- AI-led RTO prediction (25-30% COD returns) can reduce failed deliveries and improve contribution margins
- Flat-rate billing and faster COD remittance fix the two biggest working capital problems for small brands at once



Key risks to watch

- Strong incumbents (Shiprocket, Delhivery, Pickrr, Ecom Express) already serve SMEs; differentiation may be limited
- Flat pricing may compress margins in bulky shipments if not well-segmented
- Zero minimum commitment makes sign-up easy and leaving just as easy. Churn will be high without a volume incentive





ROADS

1 India to introduce barrier free tolling using Fastag, AI cameras by December

News brief

India plans to introduce barrier-free tolling on several national highways by December 2026, replacing stop-and-pay toll plazas with a seamless digital system using FASTag and AI-enabled Automatic Number Plate Recognition (ANPR) cameras.

December 2026

Planned rollout on several national highways

Technology stack

FASTag (RFID) + AI-based ANPR cameras

Policy objective

Reduce logistics costs and improve highway efficiency



How we see it

The reform signals a shift from manual toll collection infrastructure to digital mobility infrastructure.

- Reduced stoppage time can improve corridor speeds and fuel efficiency
- Data-led tolling can support future distance-based charging models
- Toll plazas may gradually evolve from physical barriers to automated revenue checkpoints



Why it matters

- Logistics cost reduction remains a national priority India's logistics cost has reduced to 10% from 13-14%(2019) earlier, helped by expressways and economic corridors. There is a focus to push it down further
- Travel time and congestion savings



What could go right

- Barrier-free tolling could push efficiency further reduce the cost through faster corridor movement. The mechanism is likely to Improved freight competitiveness & benefit trucking, e-commerce, and industrial supply chains

Nationwide Multi Lane Free Flow (MLFF)-style tolling roadmap. This can become the base for multi-lane free-flow tolling across India

Stronger toll monetisation valuations Higher throughput and efficient collections can support InvIT/TOT asset valuations

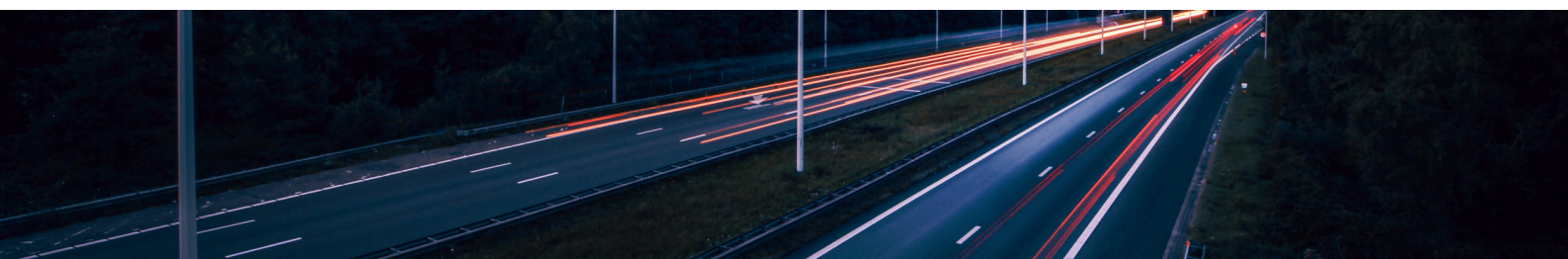
- Removing queuing at toll plazas can materially improve freight turnaround time on busy corridors. For Example: A toll plaza in Delhi, handling around 3,200 commercial vehicles/day, reducing toll delay from the current 47 seconds to assumed 10 seconds can save 33 productive vehicle-hours daily (12,000+ hours annually)



Key risks to watch

- ANPR accuracy and number plate readability due to dirty, damaged, or non-standard plates may create billing disputes
 - FASTag linkage failures
 - Manual interventions due to issues like low wallet balance, blacklisted tag etc need clever solutions. Under the new system they will be difficult to control and may cause revenue leakage.

Capex and interoperability challenges barrier-free tolling will require investment by NHAI, concessionaires, banks, and enforcement agencies in ANPR cameras, gantries, and backend integration systems, while managing challenges such as legacy toll plaza assets, contract modifications, ANPR accuracy, multi-agency system integration, and potential revenue leakage during transition.





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