

DP World's India free trade zones emerge as satellite hubs: executive

Our Bureau
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DP World's free trade warehousing housing zones (FTWZs) in India are emerging as satellite hubs for international companies as they look to de-risk their business and strengthen supply chains following the Iran-US war, a senior company executive said on Wednesday.

DP World runs 12 FTWZs globally including in the UAE, Africa, the US and India. While it's FTWZ in Jebel Ali in Dubai remains the mother hub, the facilities in Mumbai and Chennai are being considered as satellite hubs by companies following the West Asia conflict.

DP World's FTWZ in Nhava Sheva, near Mumbai, has got new customers from auto spare parts, chemicals and agriculture sectors, said Ranjit Ray, the company's Chief Operating Officer (lo-

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gistics) in charge of Indian sub continent, Central Asia, Levant and Egypt.

TIMELY INVESTMENTS

While the West Asia conflict has caused much disruption, DP World's investments in India have proved timely. "It has helped the trade, it has helped the country and it has helped us," Ray said.

The first phase Nhava Sheva FTWZ has been operational since 2022 and comprises six warehouses and temperature controlled facilities. It is spread over two million square feet and handles over 20,000 containers annually. Apart from

storage the FTWZ provide value added services such as labelling, sorting, cargo consolidation etc.

Ray said the business in India has seen phenomenal growth in the past 2-3 years and the facilities in Nhava Sheva, Chennai and Kochi are now third biggest contributors to DP World's FTWZ business. Occupancy at warehouses has risen from 10-15 per cent in initial months to over 70 per cent.

DP World has invested around ₹1,700 crore in FTWZs in India and this is part of its overall \$3 billion investments in the country. Last year it pledged to invest an extra \$5 billion in India.

The company has plans to add warehousing space. "At present 40 acres has been developed in Nhava Sheva under the first phase. We have another 45 acres on lease and will develop it based on demand," he said.