

M+R Spedag Group of Switzerland acquires Chennai based PL Shipping & Logistics in an all cash deal

Swiss firm, M+R Spedag Group reported that it had acquired a stake in Indian firm PL Shipping & Logistics Private Ltd. M+R Spedag Group is a leading logistics and transportation services provider in Switzerland and has a presence with offices in major hubs across the globe. The Swiss firm said it had acquired the Chennai based PL Shipping & Logistics Pvt Ltd in an all cash deal, to be effected from the 1st of September.

The financial details of the transaction remained undisclosed. Nishith Desai Associates acted as the legal and tax counsel for the deal that will see M+R Spedag gain a controlling stake in the Indian firm via a group entity. Estimated to be worth 480 million Swiss francs, M+R Spedag group is a family controlled forwarding and logistics firm headquartered in Muttenz, Switzerland. However, the Indian firm, PL Shipping & Logistics was acting as M+R Spedag's agent in India and will now be incorporated into the Swiss firm, said the announcement.

The Swiss firm expects to gain access to the fast growing Indian market through the creation of synergies for both firms, it said. Currently, the Swiss firm is on the acquisition trail, keen to increase its foothold in Asia, especially in India and China. No changes will be made on the organizational structure of the Indian firm, said Spedag. The deal will thus see Ramkumar Ramchandran retain his position as the managing Director and Mr. Jayaram as the Chief Operating Officer of the Indian operations.

Daniel Richner, Spedag owner, becomes the chairman of the merged entity and the Indian firm will continue to exist under the same name for the coming few months. The initial period of the investment will be put into incorporating the two firms. The incorporation is expected to offer Spedag's customers and agent partners' access to an extended Asian network, enhanced IT capabilities and an increased scope of services.

PL Shipping & Logistics Private Ltd was begun in 2001 as a joint venture between Old Peirce Leslie group and Mr. Ramkumar and has grown to become a fully independent entity backed by a private equity group. The Indian firm begun with a turnover of Rs 12 crore in its initial year of operation, but reached a turnover of Rs 105 crore in the year ended 31st March 2010. The M+R Spedag group, founded in 1952, currently employs more than 1,250 people at 60 branch offices on five continents.

5 Sep 2010.

[Add new comment](#)