

TANKERS

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GMS chief executive Anil Sharma's company was reported to have bought two product tankers for just under \$20m. Photo: Fredrik Ekren

GMS linked to deal for product tanker duo, with prices raising questions

Dubai cash buyer buys the ships for less than estimated value, but well above scrap price

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By [Matt Coyne](#) in [Stamford](#)

GMS has splashed nearly \$20m on two product tankers, but there is no word on its plans for the duo.

According to shipbroking giant Clarksons, Dubai-based GMS bought the 51,274-dwt PTI Amazon and the 51,218-dwt PTI Rhine (both built 2007) for \$9.8m each. As a cash buyer of ships for demolition, the company typically, but not always, buys ships to recycle.

GMS chief executive Anil Sharma did not respond to a request for comment from TradeWinds on the company's plans for the ships, which were bought at a discount on their estimated market value but above scrap value assessments.

VesselsValue suggested the selling price for each ship was \$9.7m.

The valuation platform estimates the PTI Amazon is worth \$11.9m and the PTI Rhine was worth \$11.8m, while its estimated demolition value of the ships is just \$6.5m each.

The purchases come as scrapping has picked up in recent weeks amid low rates and high asset prices.

In its weekly report, Clarksons reported the 47,262-dwt D&K I (built 1998) was sold for \$640 per ldt or \$5.9m and the 37,808-dwt Banyan Pride (built 2002) for \$595 per ldt or \$5.7m.

Both are product tankers.

In a handful of instances in recent years, GMS has flipped ships for further trading.

In April 2020, as tanker rates skyrocketed amid a depressed oil price, GMS bought the 300,000-dwt Ghawar (built 1996) from Bahri for \$19.5m, then sold it to a Singapore-based company [for use as floating storage](#).

The sale price was reported to be \$21m.

[In 2019](#), the company bought a bulker from H-Line and sold it to a private Chinese shipowner for an undisclosed price. That was after GMS bought two containerships for \$6m before moving them for further trading.

In those cases, rates were rising as scrap prices were on the decline.

As it stands, tanker rates are low but improving, with many in the market expecting further jumps alongside oil demand.

Clarksons' database lists the PTI Amazon and PTI Rhine as the oldest vessels in the fleet of Hong Kong-based Parakou Shipping, which has been contacted for comment.

The PTI Amazon's registered owner is Triple H No 2 and the PTI Rhine's Triple H No 1. Both companies share a Seoul address with Hyundai Glovis, the ships' commercial manager. ([Copyright](#))

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