

**GOVERNMENT OF INDIA
SURFACE TRANSPORT
LOK SABHA**

UNSTARRED QUESTION NO:2671
ANSWERED ON:13.03.2000
ACQUISITION NORMS FOR VESSELS
RAMSHETH THAKUR

Will the Minister of SURFACE TRANSPORT be pleased to state:

- (a) whether the Government have eased acquisition norms for the vessels;
- (b) if so, the details in this regard; and
- (c) the extent to which it likely to help in procuring more orders and improve their order book position?

Answer

MINISTER OF SURFACE TRANSPORT
(DR. DEBENDRA PRADHAN)

(a) No, Sir. Government has, however, relaxed age norms for acquisitions of second & (b): hand vessels, which inter alia, stipulate that the second hand vessels should have a minimum of 5 years of economic life at the time of acquisition. The economic life prescribed for the various categories of vessels is as under:

- i) Bulk carriers and liner vessels 25 years

- ii) Crude tankers, product carriers and 20 years
easy chemical carriers with or without
conventional tank coatings

- iii) Chemical and Acid carriers
a) with stainless steel tanks 25 years
b) with special tank 20 years

- iv) Liquefied Gas carriers 30 years

- v) Offshore Supply and Support Vessels 20 years

- vi) Coastal Service ships of all categories 30 years

- vii) Drill Ships 25 years

(c): Although, it would facilitate shipping companies in their tonnage acquisitions, yet it does not help Indian shipyards to procure shipbuilding orders for improving their order book position. Nevertheless, shipbuilding subsidy scheme has already been introduced to provide level playing field to Indian Public Sector Shipyards so as to improve their competitiveness in international market and to procure new shipbuilding orders.