

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

STARRED QUESTION NO:417
ANSWERED ON:18.12.2002
INLAND WATERWAYS DEVELOPMENT
UMMAREDDY VENKATESWARLU

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Inland Waterways Authority of India has worked out a model agreement for inviting private participation in making river waters a more developed mode of transport;
- (b) if so, the salient features of this model agreement;
- (c) whether any discussions took place with the private sector before formulating this model agreement;
- (d) if so, the major hurdles if any, being faced in enlisting private participation in inland waterways development; and
- (e) the steps proposed to be taken to ensure practical kind of policy for inland waterways development?

Answer

MINISTER OF SHIPPING (SHRI VEDPRAKASH P. GOYAL)

(a) to (e) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. 417 TC ANSWERED ON 18TH DECEMBER, 2002 RAISED BY PROF. UMMAREDDY VENKATESWARLU REGARDING INLAND WATERWAYS DEVELOPMENT

(a) : No, Sir.

(b) : Does not arise.

(c) : No, Sir.

(d) : Does not arise.

(e) : In this sector while the Government of India are committed to the creation of a facilitative environment in which greater movement of cargo and passengers can take place on National Waterways, State Governments are encouraged to assist in this task and to ensure greater popularity of this mode of transportation. A revised Centrally Sponsored Scheme in which larger amounts of Central assistance flow to the States has, recently been put in place. In order to encourage greater involvement of private sector in this area, the following package of measures has been approved:

- Formation of joint ventures with private sector for inland Water projects;
- Equity participation upto a maximum of 40% by Government in BOT projects.
- Enhancement in depreciation rate for inland vessels at par with the rate applicable to ocean-going vessels;
- Vessel Building Subsidy of 30% for ship owners for inland vessels built in Indian Shipyard; and
- Levying minimum customs duty on imported equipment and machinery for the development of inland waterways.