

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:1340
ANSWERED ON:10.12.2003
IMPORT OF SHIPS
ALE NARENDRA

Will the Minister of SHIPPING be pleased to state:

- (a) the number of ships imported during the last three years alongwith the number of second hand ships;
- (b) whether the Government have chalked out any plan to promote the growth of the Indian Merchant fleet;
- (c) if so, the details thereof;
- (d) whether the Ministry of Finance has been urged for lifting of customs duty on import of ships; and
- (e) if so, the details thereof?

Answer

MINISTER OF SHIPPING (SHRI SHATRUGHAN SINHA)

(a): The details of number of vessels along with second hand imported during the last three years are as under:

Year	No. of New ships	Second hand ships	Total
2001-02	1	19	20
2002-03	2	9	11
2003-04	6	11	17

(Till 30.11.2003)

(b) & (c): Yes, Sir. The Government has a plan to acquire 156 vessels of 3.26 million Gross Tonnes to replace and modernize the Indian fleet during the 10th Five Year Plan. The following steps have also been initiated for the promotion and growth of Indian Merchant fleet:

(i) A working group has been constituted to study and legislate for the introduction of Tonnage tax as recommended by Rakesh Mohan Committee.

(ii) Amendment in Section 33 AC of the Income Tax Act is being contemplated to reduce the period of retaining the acquired assets to three years from the current period of eight years.

(d)&(e): No, Sir. At present import of ocean going ships do not attract any custom duty. However, custom duty of 5% on import of tug and dredgers is applicable at present.