

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:3680
ANSWERED ON:19.04.2010
SUBSIDY TO AAGL
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Alcock Ashdown Gujarat Limited (AAGL) is entitled for subsidy under shipbuilding Subsidy Scheme;
- (b) if so, the claims made by the company alongwith the payment made by the Government to AAGL; and
- (c) the time by which the full payment is likely to be made towards such subsidy to AAGL?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a) & (b): Alcock Ashdown (Gujarat) Limited (AAGL) had submitted three applications for in principle approval/release of Shipbuilding Subsidy as per the following details:

- (i) 2 Nos. 3000T DWT product Tankers for M/s. Gudami International Pte Limited, Singapore
- (ii) 2 Nos. Work Boat cum Supply Vessels for Dolphin Offshore Enterprises (Mauritius) Pvt. Ltd
- (iii) 4 Nos. 12800 DWT IMO II Chemical Tankers for Sea Tanker Management Company Limited, Cyprus

With respect to (i) above, the amount of subsidy receivable by AAGL worked out to a total of Rs.773,34,088/- and this amount has already been released in favour of AAGL in March, 2008.

With respect to (ii) above, this Ministry had granted in principle approval for grant of 30% shipbuilding subsidy in respect of these vessels on 7th August, 2009. The total subsidy in respect of these two vessels comes to approximately Rs.15.96 crores subject to calculations and submission of requisite documents as per the guidelines. A sum of Rs.5,25,32,340/- was released to AAGL vide sanction letter dated 5th November, 2009 being the amount admissible as per stage payments. AAGL had vide letter dated 25th February, 2010 submitted a further claim of Rs.6,44,62,440/- towards balance subsidy. Upon examination, it has been found that the documents submitted by AAGL are deficient. AAGL has been accordingly requested to provide the required documents as per the guidelines.

With respect to (iii) above, this Ministry has requested AAGL to submit the requisite documents as per the guidelines for grant of in principle approval for shipbuilding subsidy and the same are still awaited from AAGL.

(c): Full payment of subsidy as per the guidelines shall be made to AAGL upon receipt of requisite documents from AAGL.