

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:993

ANSWERED ON:28.11.2011

SHIPPING CORPORATION OF INDIA

Abdulrahman Shri ;Maadam Shri Vikrambhai Arjanbhai;Nahata Smt. P. Jaya Prada;Shekhar Shri Neeraj;Singh Shri Yashvir

**Will the Minister of SHIPPING be pleased to state:**

- (a) the total number of shipping vessels owned by the Shipping Corporation of India (SCI) and the number of vessels proposed to be procured now alongwith the likely enhancement in its capacity utilization;
- (b) whether the Shipping Corporation of India (SCI) is posting continual losses;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the steps taken or proposed to be taken by the Government to improve the financial health of SCI?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI MUKUL ROY)

(a): The Shipping Corporation of India (SCI) owns 82 vessels and has placed orders for acquisition of 25 vessels as part of replacement of the existing vessels due for phasing out after completion of their economic life and also to augment the fleet of SCI. With the acquisition of 25 vessels on order and phasing out of vessels, the SCI's fleet strength is expected to increase to 86 vessels with a DWT of 7.12 Million Tonnes from the current level of 82 vessels with a DWT of 5.81 Million Tonnes. All the SCI's vessels are optimally utilized.

(b) & (c): SCI has not posted losses in the past although the profitability of SCI during the current financial year for the period from April, 2011 to September, 2011 has been impacted with a loss of Rs.140.63 crores. The shipping industry is in a recessionary phase and the freight rates are the lowest in all segments currently which has affected the financial performance of SCI in 2011-12. The brief financials of SCI for the last two years are as follows:-

Rs. in crores

2009-10    2010-11    April-September 2011

Turnover    3896.33    4019.77    2121.14

New Worth    6337.00    7168.13    7018.92

Net profit after tax    376.91    567.35    (-)140.63

Cash Balance    2676.46    2466.74    1914.99

(d): Due to the prevailing depressed shipping markets, SCI has slowed down its vessel acquisition programme. Ministry of Shipping is reviewing the overall performance of SCI including its financial performance regularly and SCI has been advised to exercise utmost care in financial matters in view of the current financial performance.