

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:4041

ANSWERED ON:19.12.2011

DECLINE IN GOODS TRANSPORT THROUGH SHIPS

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

- (a) whether the share of shipping industries in transporting goods is declining in spite of growth of import and export in the country;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the total number of cargo and passenger ships owned by the Shipping Corporation of India (SCI) alongwith the names of the ships and their status as cargo or passenger separately;
- (d) the destinations from where the ships are operated, port-wise;
- (e) whether most of the existing vessels of SCI may be phased out by 2021;
- (f) if so, the details thereof and the reasons therefor; and
- (g) the steps taken or proposed to be taken by the Government to improve the condition of shipping industry in the country?

**Answer**

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a) & (b) The share of Indian ships in the carriage of the country's overseas seaborne trade has declined from 40.7% in 1987-88 to an estimated 8.3% in 2009-10. The decline can be mainly attributed to the slow pace of growth of Indian fleet as compared to the growth of India's overall trade.

(c) Presently, SCI has a total fleet of 78 vessels. The names of the ships with their status are at Annexure-I.

(d): The destination/port of call of various container services are given in Annexure-II.

(e) & (f): The average age of SCI fleet is about 13 years. By the year 2021, more than 50% of SCI's existing 78 vessels will cross their economic life and hence these vessels may be required to be phased out.

(g): The Government had introduced tonnage tax regime for shipping sector in 2004. Indian Shipping Industry has been provided cargo support through right of first refusal and policy of FOB (Free on Board) import is being followed for government owned/controlled cargoes. Further, chartering of vessels for movement of cargo on private account is regulated through the Directorate General of Shipping taking into consideration the availability of Indian flag vessels. These measures are likely to be continued to support Indian Shipping Industry.