

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:6093  
ANSWERED ON:14.05.2012  
EXPANSION PLAN OF SCI  
Das Shri Khagen

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

- (a) whether the Indian shipping industry is taking advantage of the distress sale of vessels globally by nearly 65 percent in view of the unprecedented fall in trade;
- (b) if so, the details thereof;
- (c) whether Shipping Corporation of India (SCI) has put on hold its expansion plans in spite of getting vessels at very cheap price;
- (d) if so, the reasons therefor; and
- (e) the steps taken/proposed to be taken by the Government to acquire more vessels for its expansion plan?

**Answer**

MINISTER OF SHIPPING (SHRI G.K. VASAN)

- (a) & (b): The Indian shipping companies were not able to take advantage of the distress sale of vessels worldwide, inter-alia, due to the fact that the cost of capital in India is high as compared to that elsewhere in the world.
- (c) & (d): SCI has informed that its expansion plan has been revised in view of the global downturn in the shipping market.
- (e): SCI is a Navratna Public Sector Undertaking and proposals for acquisition of vessels for its expansion plan are decided with the approval of its Board.