

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:1508
ANSWERED ON:03.12.2012
SHIPBUILDING YARDS UNDER PPP
Rajendran Shri C.

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Government proposes to set up shipbuilding yards under Public Private Partnership (PPP) mode in the country, including Tamil Nadu;
- (b) if so, the details thereof along with the time by which such yards are likely to be completed State-wise; and
- (c) the extent to which the same is likely to create additional employment opportunities in the country?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a) & (b): Private investors have set up shipyards in the country. On the West Coast, Pipavav Shipyard has come up with sufficient capacity to build large ships including Very Large Crude Carriers (VLCC). On the East Coast, M/s L&T has built a large shipyard near Chennai. The Government of India's stake in the form of equity or grant or loan has not been sought by any of these shipyards.

(c): Shipbuilding and repair industry is an assembly industry, which not only generates employment in the core shipyard but also generates large scale employment in the ancillary industries which are set up around a shipyard. A study conducted in 2007 estimated employment multiplier to be over 6 which means that for every person employed in a shipyard, 6 new jobs are created in ancillary and downstream industries.