

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:3798
ANSWERED ON:17.12.2012
LOCAL SHIP BUILDERS
Singh Shri Dushyant

Will the Minister of SHIPPING be pleased to state:

- (a) whether there have been any policies implemented to aid local ship builders in the country;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether 80 per cent of the materials and components used by the local yards are imported; and
- (e) if so, the amount spent on such imports during the past three years?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a) to (c): Government of India implemented a shipbuilding subsidy scheme from 25.10.2002 to 14.08.2007 under which 30% subsidy would be admissible to the Indian Shipyards on the contracted price or the price as certified to be reasonable by Directorate General of Shipping or actual payment received by the shipyard, whichever is lower. This scheme was applicable to both public sector shipyards and private shipyards. The scheme gave a boost to Indian shipbuilding industry and increased India's share in global shipbuilding sector.

(d) & (e): Yes, Madam. Approximately 80 percent of the materials and components used by the local shipyards are imported. As per the information given by the Shipyard Association of India, total amount spent on imports of raw material and components of 5 major commercial shipyards are as follows:

(In Rs. Crore)

Year	ABG	Bharati	Temba	Cochin	Pipavav	Total
	Shipyard					

2009-10	687	595	102	463	162	2,009
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2010-11	716	668	29	580	245	2,238
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2011-12	1,119	504	165	288	388	2,464
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Total	2,522	1,767	296	1,331	795	6,711
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