

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:3846
ANSWERED ON:17.12.2012
COMPETITIVENESS OF INDIAN SHIPPING INDUSTRY
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Will the Minister of SHIPPING be pleased to state:

- (a) whether the Government has any proposal to revise the shipping policies to enhance the competitiveness of the shipping industry;
- (b) if so, the details thereof;
- (c) whether there is a proposal to grant infrastructure status to coastal shipping to enable easier access of funds;
- (d) whether the Government also propose to review the ongoing shipping projects involving Private Sector Partnership;
- (e) if so, the details thereof; and
- (f) the steps taken/proposed to be taken by the Government for strengthening the shipping sector in the country?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

- (a) & (b): The Working Group on Shipping and Inland Waterways Transport in its Report on the 12th Five Year Plan (2012-17) has emphasised the need for rationalization of the fiscal regime including grant of direct and indirect tax incentives to the Indian shipping industry for enhancing their competitiveness.
- (c): A proposal to grant infrastructure status to Coastal Shipping has been formulated and submitted to the concerned Ministry. However, no decision has been taken in this regard so far.
- (d) & (e): The Government is regularly reviewing the ongoing projects in the shipping sector including those involving private sector participation.
- (f): In order to strengthen the shipping industry, Government introduced tonnage tax scheme during 2004-2005, 100% Foreign Direct Investment (FDI) has been allowed in the shipping sector and policy of Cargo support to Indian flag ships in respect of Government owned/controlled cargoes is being continued.