

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:1119
ANSWERED ON:13.07.2009
FINANCIAL ASSISTANCE TO SHIP INDUSTRY
Sule Supriya

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Shipping Industry has requested to the Government for financial assistance to tide over viability crisis;
- (b) if so, the details thereof and the reaction of the Government thereto; and
- (c) the quantum of funds provided during each of the last three years and the current year to shipping industry to overcome such crisis?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a) & (b): The Indian National Shipowners' Association which represents Indian Shipping Companies holding 90% of the Indian tonnage has represented for creation of Rs.10,000 crore Corpus for providing credit facilities to Indian Shipping Companies for acquisition of ships as the recent global economic slow down has resulted in depressed earnings for shipping companies and credit crunch. On the advice of Finance Ministry, Indian Bank Association has constituted a Working Group to examine the request of Shipping Industry for extension of credit facilities for purchase of ships. The Indian Bank Association has recently advised that they have no role to play in the matter and the Shipping Company should take up the matter with the individual banks.

(c): Government has not provided any soft loan to the Shipping companies in the last three years and the current year.