

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:2221

ANSWERED ON:11.03.2013

ANALYSIS ON SHIPPING INDUSTRY

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Will the Minister of SHIPPING be pleased to state:

- (a) the details of the analysis made by Ratings agency India ratings relating to the shipping industry;
- (b) whether the Shipping industry is unlikely to see a revival till 2015 as reported;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the Government proposes to conduct any survey to find out the factual position and analyse the possible growth of shipping industry during the next two years;
- (e) if so, the details in this regard; and
- (f) the corrective measures taken by the Government to strengthen the shipping industry in the country?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a)to(c): The Indian National Shipowners` Association has informed that no rating of the Indian Shipping Industry as a whole has been done by any rating agency. The uncertainties involving certain European economies and also in the growth of international trade have been affecting the revival prospects of global shipping industry. The revival of the Shipping Industry would be dependent on the global industry situation.

(d)&(e): The demand and supply in Shipping sector is regulated by market forces. Given the fact that shipping business has shown cyclic trends over a period of time, the markets are expected to correct themselves in natural course.

(f): Government has been taking various steps from time to time for the growth of Indian tonnage. Government introduced tonnage tax scheme for the shipping sector in 2004 and Policy of Cargo support to Indian flag ships in respect of Government owned/controlled cargoes is being continued.