

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:1069
ANSWERED ON:12.08.2013
HINDRANCES IN COASTAL PORTS
Khairi Shri Chandrakant Bhaurao; Vasava Shri Mansukhbhai D.

Will the Minister of SHIPPING be pleased to state:

- (a) whether there are several hindrances such as high bunker cost and inadequate water logging and duties being levied on fuel for coastal ports for optimum use of domestic shipping transport in the country;
- (b) if so, the details thereof; and
- (c) the measures taken/proposed to be taken by the Government to remove the said difficulties and the success achieved by the Government with these measures?

Answer

(MINISTER OF SHIPPING) (SHRI G.K. VASAN)

(a) & (b): Yes Madam. Coastal ships perceive high bunker cost as one of the hindrances to optimizing domestic shipping transport due to duties levied on fuel consumed on coastal ships.

(c): To promote coastal shipping in the country, the Government has exempted ships and vessels from excise duty and removed counter-veiling duty (CVD) on imported ships and vessels. This will augment the fleet capacity of Indian flag ships including coastal ships. Besides, in the 12th Five Year Plan, an allocation of Rs.300 crore is made for promoting coastal shipping.