

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:2616

ANSWERED ON:26.08.2013

SHIPPING PROJECTS

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Will the Minister of SHIPPING be pleased to state:

- (a) the number and details of ongoing shipping development projects in the country, State-wise;
- (b) the number of ongoing projects that are running behind schedule along with the reasons therefor;
- (c) whether any individual official has been held responsible for the same:
- (d) if so, the details thereof during the last three years and the current year along with the action taken against them;
- (e) if not, the reasons therefor along with the reaction of the Government thereto; and
- (f) the corrective measures taken by the Government in this regard?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a): The Indian shipping industry is operated/managed by entrepreneurs from public and private sectors. The acquisition of ship in private sector is solely a commercial decision taken independently by the entrepreneurs. The Shipping Corporation of India (SCI), the only Public Sector shipping company having "Navratna" status since 1st August, 2008 is empowered to take investment decisions. SCI has the following ongoing ship acquisition projects.

Sr. No.	Type of vessel	Name of Shipyard
1	1 no. Anchor Handling towing & supply vessels of 80T Bollard Pull capacity each	Bharati Shipyard, India
2	2 nos. Kamsarmax bulk carriers	Jiangsu EasternHeavy Industries Co.Ltd., China
3	2 nos. VLCCs	Jiangsu Rongsheng Heavy Industries, Co. Ltd., China
4	3 nos. Cellular container vessels of 6,500 TEUs each	STX (Dalian) Shipbuilding Co. Ltd., China
5	1 no. Cellular container vessel of 3,500 TEUs	Rongcheng Shenfei Shipbuilding Co. Ltd., China
6	6 nos. Anchor Handling towing & supply vessels of 80T Bollard Pull capacity each	ABG Shipyard Ltd. India

(b): All the ongoing ship acquisition projects of SCI are running behind schedule. The shipbuilding industry worldwide is presently going through depression phase with most of the shipyards struggling from cash flow problems compounded by lack of new orders. As a result, shipbuilding projects in many shipyards, both Indian and international, are running behind schedule.

(c) to (e): Does not arise.

(f): In case of default by builder such as delayed delivery of the vessel, SCI is empowered to exercise contractual penalties in the form of Liquidated Damages including cancelation of shipbuilding contract to safe guard its interest.