

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:3888

ANSWERED ON:19.03.2015

REVIVAL OF SHIP BUILDING INDUSTRY

Maganti Shri Murali Mohan;Sanghamita Dr.(Smt.) Mamtaz

Will the Minister of SHIPPING be pleased to state:

- (a) whether the ship building industry in the country is facing crisis;
- (b) if so, the details thereof along with the steps taken for revival;
- (c) whether the Government proposes to extend the subsidy scheme which expired on 31st March, 2014; and
- (d) if so, the details and the status thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI PON. RADHAKRISHNAN)

(a)to(d):Shipbuilding industry being globalised in nature, the present global downturn has also affected the domestic ship-building industry. The shipbuilding subsidy scheme was extended to all Indian shipyards on October 25, 2002. The subsidy scheme expired in 2007. The Government decided to liquidate the committed liabilities in the year 2009 for all the cases for which contracts had been signed by August 14, 2007, for another five years starting from the year 2009 and ending March 31, 2014 and accordingly, shipbuilding subsidy was released to Indian shipyards till March 31, 2014. The major suggestions received by the Government of India from various stakeholders for promotion of local shipbuilding industry includes measures for financial assistance; grant of infrastructure status; domestic eligibility criteria; tax incentives and special dispensation for stressed shipyards. No time-lines for implementation can be given at this stage.