

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING
LOK SABHA
UNSTARRED QUESTION NO. 3997
TO BE ANSWERED ON 12TH DECEMBER, 2019

SUBSIDY ON WATER TRANSPORT VEHICLES

3997. DR. SUKANTA MAJUMDAR:
SHRI RAJA AMARESHWARA NAIK:
SHRI BHOLA SINGH:
SHRIMATI SANGEETA KUMARI SINGH DEO:

Will the Minister of SHIPPING be pleased to state:

पोत परिवहन मंत्री

- (a) whether the Government has implemented any scheme for providing subsidy to the production sector of water transport vehicles and if so, the details thereof;
- (b) the eligibility conditions stipulated for getting this subsidy;
- (c) whether this subsidy has been extended to the vehicles where the owner and builder are the same and if so, the details thereof; and
- (d) whether the Government proposes to amend the scheme/guidelines so as to include such vehicles under the scheme and if so, the details thereof ?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR SHIPPING
(SHRI MANSUKH MANDAVIYA)

(a) to (b) To promote shipbuilding in Indian shipyards, the Government of India has on December 9, 2015 approved New Shipbuilding Financial Assistance policy for Indian shipyards for shipbuilding contracts signed during a ten year period, viz. 2016-2026. Financial assistance is being granted to Indian Shipyards equal to 20% of the lower of "Contract Price" or the "Fair Price" or actual payments received of each vessel built by them for a period of at least 10 years commencing 2016-17. This rate of 20% will be reduced by 3% every three years. The guidelines define vessel as all types of floating crafts or structures built under the classification of one of the Recognized Organizations but shall exclude the following crafts:

1. Vessels built for Indian buyer or ship owner, which are less than 24 meters in length, except classed* dredgers of length of 10 m and above(registered length / rule length as shown in the registry certificate / tonnage certificate).However, for export orders minimum 24 m length restriction is not applicable.
2. Vessels made of wood irrespective of their lengths.
3. Vessels built for defence purposes or for use by Navy or Coast Guard.
4. Vessels built under contracts secured on nomination basis from the Central or State Government or their agencies except those secured from the Central or State Public Sector Enterprises.

*classed with one of the Recognized Organizations (ROs) of the Gol and assigned with a Class notation as "Dredger (of any type)".

Only those vessels, which are constructed and delivered within a period of three years from the date of Contract, shall be eligible for availing financial assistance under the policy. Provided that, in case of specialized vessels, the competent authority may grant in principle approval for construction and delivery of such vessels within a specific period even beyond the aforesaid three years, but not exceeding six years, when the shipyard applies for such approval for the vessel under the policy guidelines and thereafter the delivery period provided for in this Clause shall be such extended period as permitted by the Competent Authority.

(c) No, Sir.

(d) There is no such proposal under consideration.
