

GOVERNMENT OF INDIA  
MINISTRY OF SHIPPING

**LOK SABHA**  
**UNSTARRED QUESTION NO.1738**  
**TO BE ANSWERED ON 30<sup>TH</sup> JULY, 2015**

**SUBSIDY TO SHIP-BUILDING COMPANIES**

1738. DR. SHASHI THAROOR:

Will the Minister of SHIPPING be pleased to state:

**पोत परिवहन मंत्री**

- (a) the total number of shipyards/ship-building companies which had entered into ship-building contracts before August, 2007 and yet to receive the subsidy amount under the ship building subsidy scheme which was discontinued in March, 2014;
- (b) the total subsidy amount due to these shipyards/companies;
- (c) whether the Government is considering extension of the subsidy scheme to roll out payments to these shipyards/companies;
- (d) if so, the details and the present status thereof; and
- (e) if not, the proposed alternative for reimbursement thereof to the said shipyards/companies.

**ANSWER**

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

(a)&(b):Of the 11 shipyards/ship-building companies which had applied under the shipbuilding subsidy scheme with respect to eligible shipbuilding contracts secured by them before August 14, 2007, 10 shipyards/ship-building companies are yet to receive the subsidy amount claimed by them. As per the shipbuilding subsidy guidelines, the private sector shipyards are eligible to receive subsidy only after delivery of vessels. In case of many contracts, ship deliveries have not been made. Moreover, as per the guidelines, subsidy is payable on the contractual price or the price as certified by the Directorate General of Shipping by way of issuance of Price Reasonableness Certificate or actual payments received from the buyer, whichever is lower. Since the requisite documentation is yet to be provided by the shipyards/ship-building companies, the exact subsidy amount cannot be estimated.

(c)to(e):Requests have been received from the shipbuilding industry for extension of the timelines of the shipbuilding subsidy scheme in respect of eligible shipbuilding contracts under the said scheme on which no decision has been taken.

\*\*\*\*\*