

GOVERNMENT OF INDIA  
MINISTRY OF SHIPPING

**LOK SABHA**  
**UNSTARRED QUESTION NO.2781**  
**TO BE ANSWERED ON 6<sup>TH</sup> AUGUST, 2015**

**LOSS OF SHIP BUILDING COMPANIES**

2781. SHRIMATI KAMLA DEVI PAATLE:

Will the Minister of SHIPPING be pleased to state:

**पोत परिवहन मंत्री**

- (a) whether the ship building companies have incurred huge losses due to global economic recession and higher interest rates;
- (b) if so, the details thereof during each of the last three financial years;
- (c) whether the Government proposes to allow loan restructuring by such companies;
- (d) if so, the details and the objectives thereof; and
- (e) the other steps taken/being taken by the Government for revival of ship building companies?

**ANSWER**

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

- (a)&(b): Yes, Madam. Some shipbuilding companies have incurred losses during last three financial years whose details are placed at **Annexure**.
- (c)&(d): In so far as HDPEL is concerned, Cabinet has approved 'Revival-cum-Restructuring Plan' of HDPEL and waived off Government Loan and Interest and also approved J.V formation with Private Sector Company. In so far as HSL is concerned, the company has submitted a proposal for Financial Restructuring for an amount of Rs. 1209.81 crore to Ministry of Defence in 2014 and recently on 16.06.2015.
- (e) 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. Suggestions have been received by the Government of India from various stakeholders for promotion of local shipbuilding industry which include measures for financial assistance; grant of infrastructure status; domestic eligibility criteria; tax incentives and special dispensation for stressed shipyards. No time-lines for implementation of the suggestions can be given at this stage.

**Annexure**

S.No (1)	Name of Shipyard (2)	Losses (in crores)		
		2011-12 (3)	2012-13 (4)	2013-14 (5)
1.	Alcock Ashdown (Gujarat) Ltd.	Nil	96.56	73.61
2.	Cochin Shipyard Ltd.	Nil	Nil	Nil
3.	Garden Reach Shipbuilders & Engineers Ltd.	Nil	Nil	Nil
4.	Goa Shipyard Ltd.	Nil	Nil	61.09
5.	Hindustan Shipyard Limited(HSL)	85.98	55.17	46.21
6.	Hooghly Dock & Port Engineers Limited (HDPEL)	Nil	39.84	Nil
7.	Mazagon Dock Ltd.	Nil	Nil	Nil
8.	Shalimar Works Ltd.	17.48	21.44	18.49
9.	Dempo Shipbuilding and Engineering Ltd.	Nil	Nil	9.60
10.	ABG Shipyard	Nil	Nil	296.18
11.	Bharati Shipyard	48.59	539.76	1025.84
12.	Chowgule & Co. Ltd.	Nil	Nil	Nil
13.	Ferromar Shipping Pvt. Ltd.	Nil	Nil	Nil
14.	A.C. Roy & Comp. Ltd.	Nil	Nil	Nil
15.	Bristol Boats	0.55	0.96	1.20
16.	Tebma Shipyards	12.73	Nil	66.69
17.	L & T Shipbuilding	Nil	136.82	355.11
18.	N N Shipbuilders and Engineers Pvt Ltd.	Nil	Nil	Nil
19.	Pipavav Def. & Off. Engg. Co.	Nil	Nil	Nil

(Source: Shipbuilding Statistics 2013-14, Shipyards Association of India and Central Public Sector Shipyards)

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