

Expansion, Modernization and Upgradation Infrastructural Facilities in Shipping Industry

The Expansion, modernization and upgradation of shipping infrastructure in the country is an on-going process to keep the ports abreast with new technologies and also to promote trade and cargo. The Government is committed to provide best possible infrastructure facilities to Indian shipping industry. Cochin Shipyard Limited, a Central Public Sector Enterprise under the administrative control of Ministry of Shipping has a shipbuilding capacity of 1,10,000 DWT and ship-repair capacity of 1,25,000 DWT to cater to the needs of the shipping industry.

In order to support the Indian shipping industry, the Government of India has taken following steps by way of exemptions and relaxation namely:

- (i) Exempted Customs and Excise Duty leviable on bunker fuels used in Indian flag vessels for transportation of mix of EXIM, domestic and empty containers between two or more ports in India.
- (ii) Uniform abatement of service tax of 70% for transportation of goods by rail, road and sea vessels.
- (iii) Indian shipping industry has been provided cargo support through Right of First Refusal (RoFR).
- (iv) Parity in taxation of seafarers employed on Indian flag ships vis-a-vis those on foreign flag ships.
- (v) Shipping enterprises based in India have been permitted to acquire ships abroad and also flag them in the country of their convenience.
- (vi) Issuance of General Trading Licence to Indian flag vessels decentralized. (vii) Registration of ship-repair unit simplified.

This information was given by the Minister of State for Shipping Shri Mansukh L. Madaviya in written reply to a question in Rajya Sabha today.

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