

**GOVERNMENT OF INDIA  
SHIPPING, ROAD TRANSPORT AND HIGHWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:3105  
ANSWERED ON:13.12.2006  
TRANSPORTATION BUSINESS THROUGH SEA ROUTE  
Agarwal Shri Dharendra;Singh Deo Smt. Sangeeta Kumari

**Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:**

- (a) the share of India in transportation business through sea-route in the world;
- (b) the status of the above business as on date;
- (c) whether any review has been made in regard to the said business of transportation through sea-route;
- (d) if so, the outcome thereof; and
- (e) the steps taken by the Government to promote transportation business through sea-route as well as to augment its capacity during the last two years?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU)

- (a) & (b): As per provisional figures, the share of Indian Flag Vessels in the carriage of the country's overseas trade is about 13.67% in 2005-06.
- (c) to (e): The Government has been taking various measures from time to time for the growth of Indian tonnage which inter alia include the following:
  - (i) The acquisition of vessels has been brought under Open General Licence. The Shipowners are free to decide on type of ships to be acquired and their area of operation etc.
  - (ii) 100% FDI is permitted in Maritime Sector including Shipping Sector.
  - (iii) Rate of depreciation increased from 20% to 25%.
  - (iv) Tonnage Tax has been introduced from 2004-05.
  - (v) The formalities of registration of newly acquired vessels have been simplified.