

MEASURES TAKEN FOR PROMOTION OF INDIAN COASTAL SHIPPING INDUSTRIES

Relevant for: Indian Economy | Topic: Infrastructure: Ports & Waterways

Ministry of Shipping

Measures taken for Promotion of Indian Coastal Shipping Industries

Posted On: 08 JUL 2019 4:16PM by PIB Delhi

The Minister of State Shipping (I/C) and Chemical & Fertilizers Shri Mansukh Mandaviya in a written reply to a question in Rajya Sabha today informed that the Government has relaxed Cabotage under section 406 & 407 of the Merchant Shipping Act, 1958, for the coastal movement of Agriculture, horticulture, fisheries and animal husbandry commodities. The said relaxation has given wider geographical spread for distribution of fertilizers for the benefit of farming community.

He informed that in order to promote coastal shipping, the Ministry of Shipping, in exercise of power vested in the Central Government vide Section 407(3) of the Merchant Shipping Act, had relaxed cabotage and allowed foreign flag ships to engage in the coastal trade of India without obtaining licence from Directorate General of Shipping for coastal movement of the following:

- For specialized vessels such as RO-RO, RO-PAX, Hybrid Ro-Ro, Pure car carriers, pure car and truck carriers, LNG vessels and over-dimensional cargo or project cargo vide order dated 2nd September, 2015.
- EXIM/EMPTY containers vide order dated 21st May, 2018;
- Agriculture, horticulture, fisheries and animal husbandry commodities vide order dated 22nd May, 2018, and
- Fertilizers vide order dated 22nd June, 2018.

He further informed that in addition, the Ministry of Shipping in exercise of power vested vide Section 406 (1) of the said Act, had allowed foreign flag ships chartered by a citizen of India or a company or a cooperative society to engage in coastal trade of India for movement of above mentioned cargoes without obtaining a licence from Directorate General of Shipping.

The licensing condition has been relaxed for certain type of specialized foreign ships due to non-availability of adequate number of such Indian flagged vessels. Similar relaxation for specific cargoes/commodities has been made to make available additional vessels for carriage of cargoes on the coast at competitive freight rates. This would encourage modal shift from road and rail transport to coastal shipping and eventually benefit the end-users. Both, the coastal trade and the transshipment of containers from Indian Ports, have shown an increase subsequent to the relaxation of licensing conditions for plying of foreign ships for specified types of cargoes.

NP/MS

(Release ID: 1577744) Visitor Counter : 114

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com

CrackIAS.com