

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO. 959
ANSWERED ON 24.07.2026

REVAMPING OF SHIPBUILDING INDUSTRY

959. SHRI RAO RAJENDRA SINGH:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) whether the Government has reviewed the progress made towards enhancing share of the country in global shipbuilding and ship repair since the announcement of measures under the Union Budget 2025–26 and in alignment with Maritime India Vision 2030 and Maritime Amrit Kaal Vision 2047;
- (b) the status of revamping of the Shipbuilding Financial Assistance Policy and the operationalization of the proposed Maritime Development Fund with a corpus of Rs. 225,000 crore;
- (c) the details of shipbuilding clusters proposed to be developed, including infrastructure, skilling initiatives and technology support provided so far; and
- (d) the measurable outcomes achieved in terms of private investment attracted, orders secured by Indian shipyards, employment generated and capacity augmentation in the shipbuilding and ship repair sector during the last two years?

ANSWER

MINISTER OF PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

- (a) The Government has reviewed the India's Shipbuilding sector following the announcement of measures under the Union Budget 2025–26 and adopted a 4-pillar strategy to revitalize shipbuilding sector. The Government has accordingly approved a comprehensive package of ₹ 69,725 crore to strengthen domestic shipbuilding capacity, maritime financing and skilling. The key components of the shipbuilding package include:
- i. Shipbuilding Financial Assistance Scheme (SBFAS), an extension of Shipbuilding Financial Assistance Policy (SBFAP), with outlay of ₹ 24,736 crore to address cost disadvantages of Indian shipyards vis-a-vis global shipyards;
 - ii. Maritime Development Fund (MDF) corpus of ₹ 25,000 crore for providing long term financing support to shipbuilding and maritime sector comprising a Maritime Investment Fund (MIF) of ₹ 20,000 crore and Interest Incentivisation Fund (IIF) of ₹ 5,000 crore;
 - iii. Shipbuilding Development Scheme (SbDS) with ₹19,989 crore outlay to expand Indian shipbuilding output capacity to 4.5 million Gross Tonnage annually by setting up greenfield shipbuilding clusters and capacity expansion of the existing shipyards. These targets have been set to position India as a competitive global shipbuilding force in line with vision contained in Maritime India Vision 2030 and Maritime Amrit Kaal Vision 2047 documents.

iv. Policy reforms have been undertaken to revamp shipbuilding industry including implementation of classification of large vessels as infrastructure and demand aggregation. Government on 19th September 2025, notified infrastructure status to Indian-flagged commercial vessels with a Gross Tonnage (GT) of 10,000 or above. For vessels constructed in India infrastructure status was accorded to vessels of size 1,500 GT or above. As part of demand aggregation, a fleet acquisition plan of 400+ vessels has been prepared which provide long term order visibility to the Indian shipyards.

(b) The scheme guidelines to operationalize SBFAS have been issued on 26.12.2025 and in-principle approvals for shipbuilding financial support are given in accordance with scheme guidelines. The guidelines for MDF have also been issued on 20.02.2026. Further, SBI Ventures Limited has been appointed as the Fund Manager for MIF on 26.05.2026.

(c) As on-date, under SbDS, Government has accorded in-principle approval for the development of three greenfield shipbuilding clusters at Andhra Pradesh, Gujarat and Tamil Nadu. SbDS provides financial assistance for development of common maritime and land based infrastructure for the greenfield clusters. Further, under SbDS, the India Ship Technology Centre (ISTC) has been established as a Section 8 company to promote the overall development of the Indian shipbuilding sector by enhancing capabilities in ship design, research and development (R&D), skill development, software, and other related areas. As regards skilling development, the details of various steps taken are as under:

i. 11 shipyards have signed MoUs with 34 ITIs across 8 coastal States towards implementation of on the job trainings (OJTs). As part of this, 150-hour OJT model has been introduced. 727 trainees have already been trained till date in these yards.

ii. Training of Trainers (ToT) program has been implemented at 2 Industrial Training Institutes (ITIs) in West Bengal by Centre of Excellence in Maritime and Shipbuilding (CEMS).

iii. A preliminary Skill Gap Study has been completed across 9 shipyards.

iv. A total of 92,697 candidates have been trained/skilled/upskilled during the last 3 years.

v. A Plan of Implementation (PoI) has been signed between MoPSW and Korea International Cooperation Agency (KOICA) for a skill development project in the shipbuilding sector.

(d) As per latest UN Trade and Development (UNCTAD) report, India's shipbuilding output increased by 41% from 40,923 GT in 2024 to 57,637 GT in 2025 . The comprehensive shipbuilding package of Government of India has instilled confidence in Indian shipyards, resulting in the placement of several large commercial and export shipbuilding orders to existing shipyards. In the last two years in-principle approvals have been given for financial assistance under SBFAP and SPFAS to the Indian shipyards for a total contract value of ₹15,234 crore. Under the SbDS scheme, so far, in-principle approval has been given to proposals of four shipyards for brownfield capacity augmentation of their facilities for ship-building and ship-repair at total estimated cost of over ₹2,500 crore. Given the high employment multiplier of 6.4 in shipbuilding industry, the above developments has catalysed generation of large number of direct as well as indirect employment.