

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

RAJYA SABHA
UNSTARRED QUESTION NO. 2078
ANSWERED ON 10.03.2026

SHIPBUILDING FINANCIAL ASSISTANCE POLICY IN THE COUNTRY

2078. SHRI SHAMBHU SHARAN PATEL:

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

- (a) the progress achieved under the Shipbuilding Financial Assistance Policy, including provision of credit guarantees and viability gap funding (VGF) to Indian shipyards;
- (b) the number of contracts awarded under the Policy;
- (c) the total order book value generated and types of vessels covered thereunder;
- (d) the financial assistance disbursed so far, including number of shipyards that have availed benefits under the Policy;
- (e) whether the Ministry has undertaken any assessment of the Policy's impact on revival of domestic shipbuilding, employment generation and enhancement of India's global competitiveness in maritime sector; and
- (f) if so, the details of the findings thereof?

ANSWER

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

(a) to (d) Under the Shipbuilding Financial Assistance Policy (SBFAP), a total of 288 contracts worth ₹19,748 crore, covering 456 vessels, have received in-principle approval till date. The type of vessels covered include tugs, general cargo vessel, bulk carrier, oil tanker, crane pontoon, heavy deck cargo vessel, RO-RO pax vessel, crew boat, deck loading craft, coastal research vessel, modular pontoon, passenger catamaran, passenger cum motor cycle ferry, passenger ferry, landing craft, jack-up barge and self-elevating platform.

As of now, total financial assistance amounting to ₹620.57 crore has been disbursed to 23 shipyards for the construction and delivery of 204 vessels.

Additionally, Government of India in September 2025 approved the Shipbuilding Development Scheme (SBDS) having provision for credit risk coverage to Indian Shipyard and viability gap funding in form of capital assistance to brownfield/existing Indian Shipyards towards expansion of production capacity. The guidelines for the same have been issued recently.

(e) & (f) An assessment of the shipbuilding sector through a third party was conducted in 2024. The report highlighted shipbuilding sector's high employment multiplier of 6.4 and a huge potential for generating both direct and indirect employment. Further, it also highlighted challenges constraining the growth of shipbuilding in India like lack of domestic demand, high cost of financing, capacity & technology limitations, etc. To address these challenges, Government of India, in September 2025, approved a shipbuilding package including Shipbuilding Financial Assistance Scheme (SBFAS), Maritime Development Fund (MDF) and Shipbuilding Development Scheme (SBDS) to enhance India's global competitiveness in shipbuilding and maritime sector .
