

GOVERNMENT OF INDIA  
MINISTRY OF PORTS, SHIPPING AND WATERWAYS  
LOK SABHA  
UNSTARRED QUESTION NO. 405  
ANSWERED ON 21/07/2023

PROMOTION OF MARINE SECTOR

405. SHRI ANIL FIROJIYA:

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

पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) the efforts being made by the Ministry to promote marine sector to make it self reliant;
- (b) whether any steps have been taken to enhance the working capacity of ports; and
- (c) if so, the details thereof?

ANSWER

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

(a) to (c) The Government of India has made concerted efforts for expansion and modernisation of the Marine Sector in the Country. Infrastructure development in the Marine Sector is a continuous process. The process *inter-alia* involves the construction of new berths and terminals, mechanization of existing berths and terminals, capital dredging for deepening drafts for attracting large vessels in port channels, development of road and rail connectivity etc., help in increasing the capacity of major ports. As a result, the cargo handling capacity of the Major Ports has been steadily going up. The Major Ports installed capacity as on 31.3.2023 is 1,617 MTPA, which is sufficient to handle the existing cargo traffic at the Major ports.

The Government has taken several progressive steps to improve the standards of maritime training, examination and certification system, increase on-board training opportunities and welfare measures for the seafarers. Due to these steps, the number of Indian seafarers employed in this calendar year has reached the record level of 2,82,918 on Indian and foreign flagged vessels. A few policies for promotion of Ship building & Indian flagging of vessels are as follows:

**Ship Building Financial Assistance Policy (2016-2026):** Government of India has approved the Financial Assistance Policy for Indian Shipyards. Financial assistance is @ 20% of the contract price, actual receipts, fair price (whichever is least) to Indian shipyards. The financial assistance extended reduces by 3% every three years.

**Revision of the criteria for Right of First refusal(ROFR):** The criteria for granting the Right of First Refusal in chartering of vessels through tender process has been revised for promoting tonnage under Indian flag and ship-building in India, so as to make India Atma-nirbhar/self-reliant Bharat, in terms of tonnage and ship-building in India. The following is the hierarchy of RoFR;

- 1) Indian built, Indian flagged (Indian owned);
- 2) Foreign built, Indian flagged (Indian owned);
- 3) Indian built, foreign flagged (foreign owned).

This promotes demand of Indian built and Indian flag vessels as such vessels have priority in chartering.

**Subsidy support to Indian shipping companies:** A scheme for the promotion of flagging of merchant ships in India by providing Rs.1624 crore over a period of five years as subsidy support to Indian shipping companies in global tenders floated by Ministries and Central Public Sector Enterprises (CPSEs) has been approved. The rate of subsidy support is based on age of the vessel. The scheme encourages entrepreneur to register ships under Indian flag.

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