

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO. 774
ANSWERED ON 07.02.2025

DOMESTIC SHIPBUILDING INDUSTRY

774. SHRI CHAVDA VINOD LAKHAMSHI:

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

पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) whether it is a fact that the size of domestic ship building industry in the country is very small in comparison to Japan, China and South Korea and 75 per cent of the world's ship building orders are secured by China;
- (b) if so, the details thereof;
- (c) whether it is also true that India has very low capacity of freight which is inadequate to meet its own demand and the country had to pay \$75 billion to foreign shipping companies as a freight through sea route in the FY 2023 alone;
- (d) if so, the details thereof;
- (e) whether efforts are being made by the Government to introduce PLI scheme to facilitate long term financing options and classify ship building sector as infrastructure; and
- (f) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) to (d) As per United Nations Conference on Trade and Development (UNCTAD) Report (2023), Japan, China and South Korea together constitute more than 90% of the global shipbuilding market in terms of Gross Tonnage.

(e) & (f) Infrastructure status has already been granted to shipyards in April, 2016. Further, to promote "Make in India" policy and to support shipbuilding industry in India, Ministry has brought in Shipbuilding Financial Assistance Policy (SBFAP) scheme for Indian shipyards to procure orders from domestic as well as international market and to be competitive in international market for securing global orders. The scheme offers financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 and March 31, 2026 with rate of financial assistance starting from 20% in 2016 and diminishing to 14% in 2026. Till date, 48 shipyards have registered, and 19 shipyards have utilized the scheme by availing financial assistance. Further, an amount of Rs. 413.51 crore has been released towards construction and delivery of 147 vessels
