

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO.4617
ANSWERED ON 20.03.2026

SHIPBUILDING DEVELOPMENT SCHEME

4617. SHRI RAJESH NARANBHAI CHUDASAMA:
MS KANGNA RANAUT:
SHRI SUDHEER GUPTA:
SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
SHRI LAVU SRI KRISHNA DEVARAYALU:
SHRI CHAVAN RAVINDRA VASANTRAO:
SHRI RAMESH AWASTHI:
SHRI RAVINDRA SHUKLA ALIAS RAVI KISHAN:
DR. SANJAY JAISWAL:
SHRI KRISHNA PRASAD TENNETI:

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

पत्तन,पोत परिवहन और जलमार्ग मंत्री

- (a) the objectives and key features of the Shipbuilding Development Scheme (SbDS) notified by the Government;
- (b) the manner in which greenfield shipbuilding clusters is likely to be developed, including the funding pattern between the Centre and the States;
- (c) the details of the Credit Risk Coverage Framework introduced under the said Scheme and its expected impact on improving project bankability; and
- (d) the steps taken to establish the India Ship Technology Centre under the Indian Maritime University to promote research, innovation and skill development?

ANSWER

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

(a) to (d) The Shipbuilding Development Scheme (SbDS) aims to strengthen India's domestic shipbuilding capacity and capability by expanding domestic output to 4.5 million Gross Tonnage (GT) annually by 2047. The key features includes greenfield cluster development, brownfield capacity expansion, shipbuilding risk coverage and capability development of the Indian shipbuilding sector through India Ship Technology Centre (ISTC).

The green field shipbuilding clusters are to be implemented through a Special Purpose Vehicle (SPV) with 50:50 joint venture arrangement between Central Government and State Government entities. The scheme envisages to provide 100% capital assistance of the cost of eligible items for the approved greenfield shipbuilding clusters.

The Credit Risk Coverage Framework introduced under the Shipbuilding Development Scheme aims to provide financial protection to Indian shipyards against key risks associated with shipbuilding contracts and vendor dependencies. It comprises coverage for risks such as pre-shipment, post-shipment and vendor-default risks faced by the shipyards and lenders. This mechanism helps to reduce the perceived credit risk for banks and financial institutions, thereby improving the bankability of shipbuilding projects, enabling easier access to long-term financing and encouraging greater private investment in the sector.

An industry representative committee, comprising of relevant stakeholders including Indian Maritime University, public and private shipyards, Shipyards Association of India (SAI), Indian Marine Designers Association (IMDA), has been set up with a mandate to establish ISTC as section-8 company. The mandate of the ISTC is to help in developing India's capabilities related to shipbuilding design, training of manpower, R&D in shipbuilding and co-ordination for testing facilities.
