GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO. 2137
ANSWERED ON 31.07.2026

SHIPBUILDING PROJECTS

2137. SHRI PRAVEEN PATEL:
SHRI VIJAY KUMAR DUBEY:
SMT. KAMLESH JANGDE:
SHRI MANOJ TIWARI:
SHRI DILIP SAIKIA:
SHRI LUMBARAM CHOUDHARY:
SHRI KOTA SRINIVASA POOJARY:
SHRI KRISHNA PRASAD TENNETI:
SHRI BIBHU PRASAD TARAI:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:
पत्तन, पोत परिवहन और जलमार्ग मंत्री

(a) the progress of the ongoing domestic shipbuilding projects of Cochin Shipyard Limited (CSL) and its subsidiaries, including the TSHD dredger, Kochi water metro ferries, IWAI vessels and Bollard Pull Tugs;
(b) the status of international shipbuilding orders secured from Germany, Cyprus, Netherlands, UK, and Norway;
(c) the status of defence shipbuilding projects, including ASW corvettes and Next Generation Missile Vessels for the Indian Navy; and
(d) the steps taken to leverage 'Make in India' and the Shipbuilding Financial Assistance Scheme to strengthen CSL's shipbuilding capacity?

ANSWER

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

(a) to (c) The number of vessels and total order value of current shipbuilding projects of Cochin shipyard and its subsidiaries in domestic, international and defence domains are 40 vessels with order value ₹3,690 crore, 38 vessels with order value ₹9,868 crore and 14 vessels with order value ₹16,217 crore respectively. These projects include various stages of construction such as design and engineering, hull fabrication and advanced stage after launching of the vessel.

(d) The steps taken by Government of India to strengthen 'Make in India' in shipbuilding, which is applicable to all shipyards in India including Cochin Shipyard Limited are given below:

i. The Government of India has introduced the Shipbuilding Financial Assistance Scheme (SBFAS) with a total outlay of ₹ 24,736 crore to enhance the cost competitiveness of Indian shipyards. It also includes a ship-breaking credit note scheme with an outlay of ₹ 4,001 crore under which ship owners receive credit note equivalent to 40% of scrap value of recycled ship when the recycling is done at a HKC compliant Indian ship recycling yard. The credit note can be utilized towards payment of up to 5% of the value of a new ship built at an Indian shipyard, thus promoting both domestic ship recycling and shipbuilding.

ii. The Maritime Development Fund (MDF), with a total corpus of ₹ 25,000 Crores, has been established to strengthen long-term financing for shipbuilding. It comprises a Maritime Investment Fund of ₹ 20,000 Crores and an Interest Incentivisation Fund of Rs. 5,000 Crores.

iii. The Shipbuilding Development Scheme (SbDS) with an outlay of ₹ 19,989 Crores which aims to expand domestic shipbuilding capacity to 4.5 million Gross Tonnage annually while supporting greenfield shipbuilding clusters.

iv. In September 2025, the Government accorded infrastructure status to large shipbuilding projects, enabling access to long-tenor, low-cost financing. Further, Ministry of Ports, Shipping and Waterways has aggregated demand for more than 400 vessels to be mainly constructed domestically over the next decade, providing order visibility to Indian yards.

v. The public procurement framework mandates that all government and PSU vessel orders valued up to ₹ 200 crore must be placed with Indian shipyards. In addition, the RoFR policy gives priority to Indian-built, followed by Indian-flagged and Indian-owned vessels in all PSU and government tenders, thereby strengthening domestic shipbuilding demand.

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