

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

LOK SABHA
UNSTARRED QUESTION NO. 691
ANSWERED ON 07.02.2025

CHALLENGES IN SHIPBUILDING SECTOR

691. SHRI LAVU SRI KRISHNA DEVARAYALU:

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

पत्तन,पोतपरिवहनऔरजलमार्गमंत्री

- (a) the details of the cargo ships owned by India and their capacity;
- (b) the amount of funds spent on freight charges on Indian and foreign ships during the last three years, year-wise;
- (c) whether the Government proposes to include ships in the harmonized list of infrastructure, to facilitate long-term financing and incentivize domestic shipbuilding; and
- (d) if so, the specific steps being proposed/implemented by the Government to address these challenges and make best use of opportunities in the shipbuilding sector?

ANSWER

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

(a) to (d) 1466 Cargo Ships with Gross Tonnage of 1,15,50,877 have been registered under Indian Flag as on 31.12.2024. In this regard, the steps taken by the Ministry of Ports, Shipping and Waterways (MoPSW) for developing/enhancement of ship building sector in the country are as under:

- (i) To increase indigenous shipbuilding with regard to modern technologies and machinery, the MoPSW has amended the Shipbuilding Financial Assistance Policy (SBFAP) guidelines.
- (ii) Funds allocated under SBFAP for shipbuilding contracts signed between April 1, 2016 to March 31, 2026 in Indian Shipyards is Rs. 4,000 crore.
- (iii) Government of India vide Gazette Notification No. 112 dated April 13, 2016 has included 'Shipyards' in the updated Harmonized Master List of Infrastructure Sub-sectors.
- (iv) The Government, in November, 2021, has released Standard Tug Designs of five variants for use by Major Ports for procurement of tugs to be built in Indian Shipyards.

(v) To promote indigenous shipbuilding, the Ministry of Ports, Shipping and Waterways on 20.09.2023 has revised the hierarchy of Right of First Refusal (RoFR) to be followed in any kind of charter of a vessel which is undertaken through a tender process. The revised hierarchy of RoFR is:

- (a) Indian built, Indian flagged and Indian owned
- (b) Indian built, Indian flagged and Indian IFSCA owned
- (c) Foreign built, Indian flagged and Indian owned
- (d) Foreign built, Indian flagged and Indian IFSCA owned
- (e) Indian built, foreign flagged and foreign owned
