

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

RAJYA SABHA
UNSTARRED QUESTION NO. 311
ANSWERED ON 05.12.2023

GROWTH IN SHIPBUILDING INDUSTRY IN THE COUNTRY

311. SHRI ADITYA PRASAD:

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

- (a) the progress made in the shipbuilding industry in the country during the last four years and whether the schemes of Government such as 'Make in India', have brought any changes in this industry, if so, the details thereof;
- b) whether Government has taken any decisions with regard to modern technologies and machinery in order to increase indigenous manufacturing during the last four years, if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

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

(a) to (c) 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 11% in 2026. The SBFAP scheme has played a crucial role in securing various orders both domestically and internationally by public and private Shipyards at competitive values.

From the data available in the SBFAP scheme, about 88 vessel orders have been procured by 31 Shipyards during the last 4 years from domestic as well as export orders and these orders are worth Rs. 6800 crore. Further, shipyards have delivered 69 vessels worth Rs. 1145 crore to domestic and international ship owners in last 4 years that have received assistance under SBFAP of about Rs. 193 Crore. Also, with the latest GoI initiative to provide higher SBFA funding to green fuelled ships and hybrid vessels, further shipbuilding orders are expected to be received. Following measures have been taken with regard to modern technologies and machinery to increase indigenous manufacturing:

(i) The SBFAP guidelines have been amended to include wind farm installation vessels and construction of sophisticated dredgers as specialized vessels which are eligible to get higher financial assistance.

(ii) The SBFAP guidelines have been amended to include financial assistance of 30% for vessels where main propulsion is achieved by means of green fuels such as Methanol/ Ammonia / Hydrogen fuel cells.

(iii) The SBFAP guidelines have been amended to include a Financial assistance of 20% for vessels with electric means of propulsion or vessels fitted with hybrid propulsion system.
