



ADVANCING INDIA'S SHIPBUILDING ECOSYSTEM



GLOBAL SHIPBUILDING MARKET: SCALE, GROWTH, AND STRATEGIC OPPORTUNITY



Global ship building market **expected to reach \$260+ Bn by 2029**; with **~75% contribution by commercial vessels**

Market size, \$Bn



Market past COVID stagnation – healthy 4-5% growth estimated to continue

**\$150+
Bn
(2025)**

Commercial shipbuilding expected grow @ 5-6% p.a. backed by fresh and replacement demand

**\$60+
Bn
(2025)**

Defense shipbuilding expected to continue steady growth momentum @ 3-4% p.a.

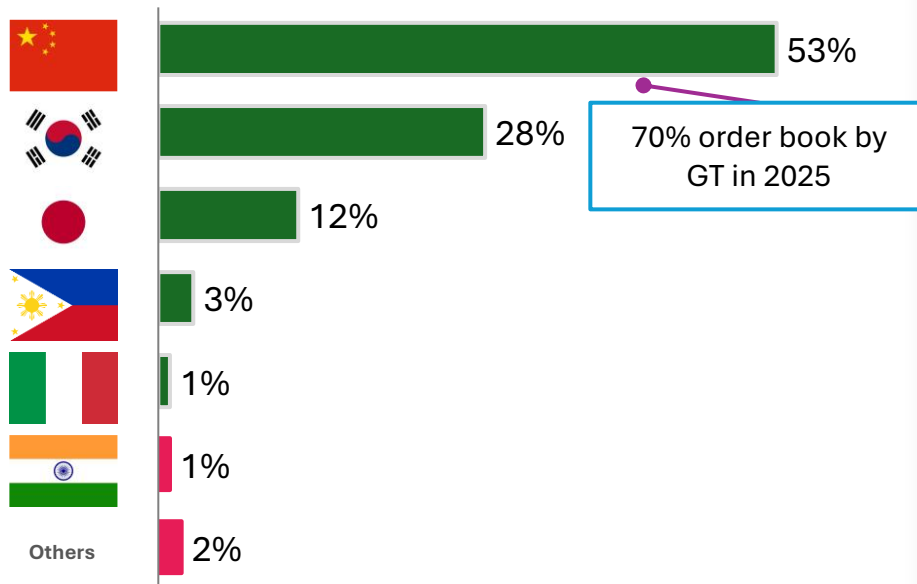
SCALING INDIA'S SHIPBUILDING CAPACITY FOR GLOBAL COMPETITIVENESS



India | 20+ shipyards in India contribute to about 1% of tonnage; India poised well to exploit the shipbuilding super cycle

India secured Top10 spot in 2000s with 300k+ Tn throughput- strong skillsets exist

Commercial deliveries¹ by GT(2024)
dominated by China, Korea and Japan



Top-5 position requires throughput of 4+ Mn GT² over next 2 decades vis a vis current approx, 50,000 GT

India does have the 'shipbuilding DNA' - demonstrated robust performance in 2000s and **Aatmanirbhar in Naval fleet**



1. Source: Clarkson's Database, Secondary research
2. Calculated tonnage basis projected SB market growth and current GT throughput of Top-5 nations

NATIONAL VISION FOR SHIPBUILDING



FOUR PILLAR APPROACH FOR SHIPBUILDING



Total Allocation

₹69,725 Cr.



Shipbuilding Financial Assistance scheme

Allocation: ₹24,736 crore

(Shipbreaking Credit Note – 4,001 Cr)



Maritime Development Fund

Allocation: ₹25,000 crore

(Maritime Investment Fund – ₹20,000 crore
Interest Incentivisation Fund – ₹5,000 crore)



Shipbuilding Development Scheme

Allocation: ₹ 19,989 crore

(Capacity & capability development and credit risk coverage)



Legal, Policy and Process Reforms

PILLAR I : SHIPBUILDING FINANCIAL ASSISTANCE SCHEME



₹ 24,736 Cr.



Shipbuilding Financial Assistance scheme

01

₹ 20,554 Cr.

Extension of Shipbuilding financial assistance scheme

02

₹ 4,001 Cr.

Shipbreaking credit note

03

₹ 181 Cr.

Establishment of National Shipbuilding Mission

Shipbreaking credit note

40% of ship's scrap value to be issued to the ship-owner when the vessel is scrapped in an Indian yard. Credit note would be reimbursable against cost of construction of new vessel at an Indian shipyard.

Assistance Rate Structure

Non-specialized – Small Vessel

- Up to ₹100 crore → 15% of actual value

Non-specialized – Large Vessel

- First ₹100 crore → 15%
- Value above ₹100 crore → 20%

Specialized Vessel

- First ₹100 crore → 15%
- Value above ₹100 crore → 25%

Domestic Content Requirement

< 30% Domestic Content

- No SBFAS support

30% to < 40% Domestic Content

- Pro-rata support

≥ 40% Domestic Content

- Full support



PILLAR II : MARITIME DEVELOPMENT FUND



Overview

Maritime Investment Fund (MIF)

₹ 20,000
Cr.

(₹ 70,000 Cr under
consideration)

- Long-term capital deployment for shipbuilding, port modernization & green shipping
- Blended-finance vehicle driving India's maritime transformation
- ₹ 1.5 lakh cr Investments to be mobilized by 2030 on PPP model

49.0% (Public)

51.0% (Private)

Interest Incentivization Fund (IIF)

₹ 5,000
Cr.

- Supports debt financing by reducing the cost of financing
- Incentive Structure:
 - Interest incentive of up to 3%
 - Offered to banks and financial institutions
 - Applicable on loans extended to Indian shipyards



Focus Areas

- ◆ Fleet expansion, shipbuilding, ports, inland waterways, and green shipping to enhance efficiency, capacity, and sustainability
- ◆ Infrastructure & technology backed modernization



Beneficiaries

- ◆ Ports
- ◆ Shipyards and Shipowners
- ◆ Indian shipping companies
- ◆ Coastal communities and maritime MSMEs



Policy Instruments

- ◆ Blended finance model combining equity, debt and VGF
- ◆ Interest subvention and credit-enhancement mechanisms offering concessional lending and partial guarantees

PILLAR III : SHIPBUILDING DEVELOPMENT SCHEME (1/2)



₹ 19,989 Cr.



**Shipbuilding
Development Scheme**
(Capacity & capability
development and credit risk
coverage)

01

₹ 9,930 Cr.

Capital support for greenfield capacity expansion

02

₹ 8,261 Cr.

Capital assistance to existing/ brownfield shipyards towards the expansion of production capacity

03

₹ 305 Cr.

Capability development initiatives: set up the India Ship Technology Centre (ISTC)

04

₹ 1,443 Cr.

Shipbuilding risk coverage: Pre-Shipment Insurance, Post-Shipment Insurance and Vendor Default Insurance

05

₹ 50 Cr.

Administrative Expenses

Period of Validity of Scheme – 10 years (Till 31st March 2036)

PILLAR III : SHIPBUILDING DEVELOPMENT SCHEME (2/2)



Objective

Facilitate capacity augmentation, modernization, and technological upgradation of existing shipyards to enhance competitiveness and efficiency.

Highlights

- **Eligibility:** Existing Indian shipyard, operational ≥ 3 years; expansion allowed under same legal entity.
- **Capital Assistance:** Limited to 25% of fair assessed project cost (DPR/IEA appraisal/CA-certified).



BROWNFIELD EXPANSION



GREENFIELD CLUSTERS

Components Funded

1. Channel & Basin Development,
 2. Dry Dock,
 3. Slipway,
 4. Shiplift,
 5. Floating Dock,
 6. Pier / Jetty,
 7. Cranes,
 8. Block / Modular Fabrication Facility
1. Breakwaters/Tide-independent basins/Wave breakers,
 2. Channel and basin development,
 3. Internal infrastructure
 4. Common maritime assets
 5. Regional Shipbuilding Capability Centres

Objective

Develop world-class shipbuilding clusters with shared infrastructure and advanced technologies to enhance competitiveness, drive economic growth, and generate jobs.

Highlights

- **Anchor Shipyard:** Minimum annual capacity of 0.5 million GT
- **Funding:** 100% upfront grant for eligible components
- **SPV Structure:** Includes Central/State Govt agencies + Shipyard partner contributions
- **Infrastructure:** Trunk infra to be developed by SPV

PILLAR IV : LEGAL, POLICY AND PROCESS REFORMS



Flag administration/ Taxation/ Legal reforms

- MS Act 2025 & CS Act 2025 etc.
- RoFR for Indian built
- Longterm charter for Indian built – GTTP, GCTP etc
- Taxation anomalies including IGST on import of vessels, IGST on MRO services, inverted duty structure etc
- Customs duty exemption on ancillary
- Local Content Order.

Infrastructure Status to Large Ships, 2025

Union Budget 2025-26 announced grant of infrastructure status to large ships- expanding avenues of financing and access to long-term financing

GIFT City

Several tax benefits and administrative reforms at GIFT-IFSC provides a financial boost for shipping

COMPREHENSIVE SHIPBUILDING PORTAL



The comprehensive shipbuilding portal will serve as a centralized digital hub, bringing together industry capabilities, stakeholder collaboration, technical resources, and innovation for India's shipbuilding and repair sector

Modules

1 Capability Insights

Display capabilities, projects & achievements, CAF

1

2

2 Collaboration Hub

Interactive tools for industry professionals to network.- QnA, Posts & Closed Groups

3

3 Training & Certifications

Information on Training courses and Institutes

4

4 Finance & Insurance

Information on funding schemes and insurance solutions

5

5 Innovation Centre

Showcase innovative technologies and R&D projects.

6

6 Technical Library

Repository of technical documents, standards, and guidelines.

7

7 Regulatory & Compliance

Updates on maritime regulations and safety standards.

8

8 Industry Directory

Comprehensive listing of shipbuilding stakeholders.

Objectives



1. Increase global competitiveness of Indian shipbuilding industry



2. Enhanced collaboration between stakeholders (design agency, shipyards, ancillaries and equipment suppliers, regulators etc.).



3. Workforce development through training and certification.



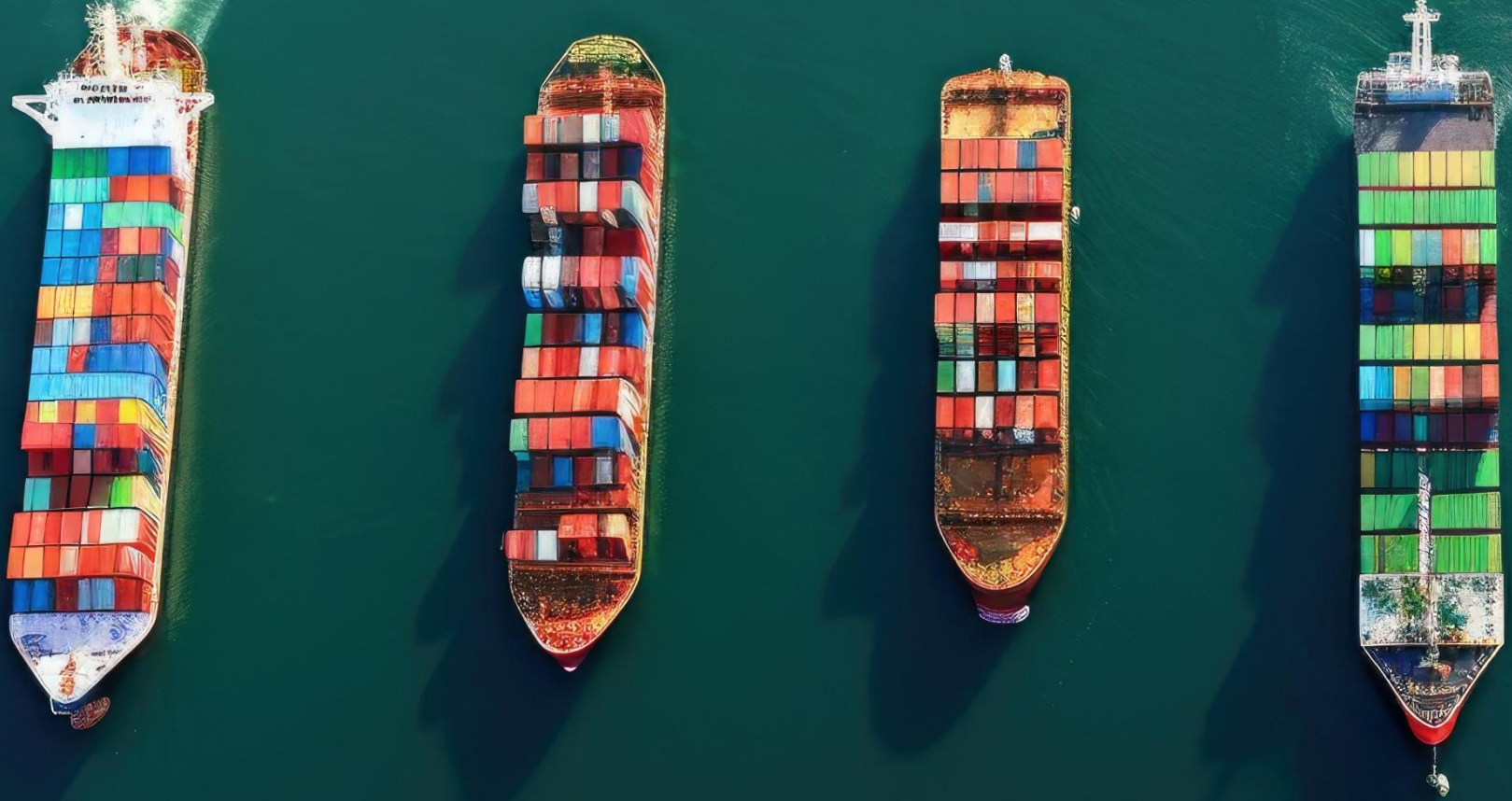
4. To promote R&D and innovation.



5. To provide centralized access to technical information, standards, and guidelines.



6. To provide assistance on financial schemes.



**सागराः
सुपन्थानः
सन्तु /**

*“Let the oceans have
safe passages”*