

## The Indian Maritime Industry

The Indian maritime industry is experiencing significant developments, driven by public-private partnerships and strategic government initiatives. For instance, under India's *Sagarmala* initiative, 567 projects have been identified for holistic coastal development, with an estimated investment of INR 59,000 crore.

The Indian shipbuilding industry is currently undergoing significant reforms, driven by government initiatives to position the country as a global shipbuilding hub. As part of its maritime development efforts, the government has introduced several key policies aimed at boosting domestic ship production and modernizing the sector.

1. **Shipbuilding Financial Assistance Policy (SBFAP):** This policy, which provides financial assistance to Indian shipyards, is set to expire in 2026. The government plans to replace it with a new scheme, likely called "SBFAP 2.0," offering expanded incentives, particularly for building green and eco-friendly vessels. Financial aid under the current policy has been reduced from 20% to 11%, but *there are proposals to raise this again, especially for vessels using hybrid or electric propulsion*([Steel Radar](#))([mint](#)).
2. **Incentives for Shipbuilding:** To meet future demands, the government is also working on schemes to raise financial support for shipbuilding, particularly for inland and coastal vessels. There are ongoing discussions to introduce a viability gap funding scheme, potentially involving a ₹5,000 crore package for shipbuilding([mint](#)).
3. **New Maritime Clusters:** To further enhance global competitiveness, maritime clusters are being developed in states like Andhra Pradesh, Gujarat, and Odisha. These clusters aim to boost shipbuilding, recycling, and attract foreign investment([Steel Radar](#)).

These policies reflect India's strategy to not only grow its domestic shipbuilding industry but also reduce reliance on foreign shipping, save on freight costs, and promote eco-friendly maritime solutions. The new initiatives and incentives are seen as key to driving India's maritime ambitions and supporting the growth of its blue economy.

The **Amrit Kaal Vision 2047** for India's maritime industry is part of a broader strategy to transform the country into a major maritime power by 2047. Key goals for the maritime sector include:

1. **Port Modernization & Infrastructure Development:** The vision focuses on developing world-class ports with state-of-the-art technology, enhancing cargo handling capacity, and reducing logistics costs. Initiatives like *Sagarmala* and *Maritime India Vision 2030* play a crucial role in these plans.
2. **Shipbuilding & Shipping Industry Growth:** India aims to boost its domestic shipbuilding capacity by increasing financial support for shipyards, promoting green shipbuilding, and positioning itself as a global shipbuilding hub. The government seeks to capture 5% of the global shipbuilding market by 2047 ([mint](#)).
3. **Sustainable & Green Maritime Economy:** The vision includes a strong emphasis on sustainability, aiming to reduce the maritime sector's carbon footprint by adopting green fuels and eco-friendly shipping technologies.
4. **Blue Economy Expansion:** Amrit Kaal envisions a significant growth in the blue economy, promoting sustainable use of ocean resources for economic development, improved livelihoods, and job creation in maritime sectors like fishing, tourism, and offshore energy.
5. **Global Maritime Leadership:** India seeks to strengthen its position in international maritime trade and governance, aiming for leadership in shipping, maritime security, and digitalization of port operations ([mint](#)).

This vision aligns with India's broader goals for economic growth, environmental sustainability, and global leadership by 2047.

The overall outlook remains positive, with continued growth in maritime security, ship management, and offshore energy, further supported by innovation in the sector

Further readings on the Indian shipbuilding market:

1. The **Indian shipbuilding industry**, valued at **USD 90 million in 2022**, is projected to reach a staggering **USD 8,120 million by 2033**, exhibiting a remarkable **CAGR of 60%**. This exponential growth can be attributed to several factors.  
**Source:** <https://www.finextra.com/blogposting/26207/the-indian-shipbuilding-market--top-player-analysis-and-future-outlook>
2. India saw a **22 per cent increase in India-flagged ships** or vessels over a 10 year period to 1526 in 2023-24. As per Ministry data, India in FY24, built ships with 26,412 gross tonnage (GT), recording a 19 per cent y-o-y increase. The big push though will be towards setting up a ₹25,000-crore Maritime Development Fund, for providing low-cost, long-term financing to the maritime sector.  
**Source :** <https://www.thehindubusinessline.com/economy/logistics/anchoring-progress-india-working-on-25000-cr-maritime-fund-shipbuilding-reforms-to-transform-industry-says-sonowal/article68673276.ece>