



India's Proposed Shipbuilding Mission

For Prelims: [Shipbuilding Mission](#), [Ship Repair and Recycling Mission](#), [International Maritime Dispute Resolution Centre](#), [Vadhavan Port](#), [Galathea Bay](#), [India Ports Global Ltd \(IPGL\)](#), [Chabahar Port](#), [India-Middle East-Europe Economic Corridor \(IMEC\)](#), [Mundra Port](#), [Maritime India Vision 2030](#).

For Mains: Significance of port infrastructure for India's economy.

Source: [LM](#)

Why in News?

Recently, the **Minister for ports, shipping, and waterways** is preparing a [Shipbuilding Mission](#) to create a robust **global shipbuilding industry** by 2047, driven by the [Make in India](#) initiative.

- The government is preparing a **comprehensive strategy** to place India among the top maritime powers.

What are the Key Features of the Proposed Shipbuilding Mission?

- **Global Market Position:** The government wants to position India among the top **shipbuilding industry and a [global maritime hub](#)** by 2047.
 - India currently holds **less than 1%** of the global market share in shipping-related activities.
- **Comprehensive Strategy:** The mission has **identified twelve areas** for action including **financing, insurance**, ship ownership and leasing, chartering, shipbuilding, **ship repair, ship recycling**, flagging and registration, operations, technical management, staffing and crewing, and **arbitration**.
- **Development of Shipbuilding Parks:** It aims to establish **mega shipbuilding parks** along both coasts of India. The government has invited **South Korea and Japan** to explore foreign investment opportunities.
 - They will be established in **Maharashtra, Kerala, Andhra Pradesh, Odisha, and Gujarat**.
- **Changing Current Trade Dynamics:** Presently, approximately **95% of India's trade** relies on foreign vessels, resulting in an annual **outflow of USD 110 billion**. The initiative aims to change this dynamic significantly.
- **Maritime Development Fund:** The government plans to establish a **Maritime Development Fund** with a corpus of around **Rs 25,000 crore** to provide long-term financing for maritime initiatives.
 - It may be set up on the lines of [National Bank For Financing Infrastructure And Development \(NaBFID\)](#).
- **Allied Missions:** **Two more missions** are set to launch soon in line with this focused approach.
 - **Cruise India Mission:** It will enhance [port infrastructure](#) and **build exclusive cruise terminals** to accommodate large cruise ships.

- **Repair and Recycling:** Beyond shipbuilding, India is gearing up to launch a [Ship Repair and Recycling Mission](#).
 - Kochi, Mumbai, Chennai, Kolkata, and Vadinar (Gujarat) will be further developed to become **major repair hubs**.
- **Centre of Excellence:** A Centre of Excellence in Shipbuilding and Repair will be established to **foster innovation** in these sectors.
- **Free Trade Depot:** A Free Trade Depot will be set up at shipyards to provide **customs exemptions on imported materials** for vessel repairs.
- **International Maritime Dispute Resolution Centre (IIMDRC):** [IIMDRC](#) has been launched to **resolve maritime disputes** domestically, reducing reliance on global hubs like **Dubai and Singapore**. The IIMDRC provides **merit-based and industry-governed solutions**, positioning India as a global hub for arbitration.
- **Domestic Protection and Indemnity Entity:** The Ministry is exploring the establishment of the **India Club**, a domestic entity to **provide third-party maritime insurance** for **coastal shipping** and **inland waterways**. It aims to mitigate exposure to international sanctions and pressures. E.g., US, UK and European Union sanctioned Russian shipping companies due to the [Ukraine war](#).

What are the Recent Developments in India's Maritime Sector?

- **Port Infrastructure:** India has **ambitious plans** for mega ports across the country, including the recently approved Rs 76,220 crore port at [Vadhavan](#) in Maharashtra.
 - A mega port has been proposed at [Galathea Bay in the Andaman & Nicobar Islands](#) to capture **transshipment cargo** currently handled outside India.
- **Target of 40 Million TEUs:** The ministry projects that **container handling capacity** in India will reach **40 million TEUs (twenty-foot equivalent units)** in the next five years.
 - [Jawaharlal Nehru Port](#) will increase its handling capacity from the current 6.6 million TEUs to **10 million TEUs**, positioning itself as the **first Indian port** to achieve this milestone.
- **Hydrogen Manufacturing Hubs:** A total of **3,900 acres** of land has been allotted in [Deendayal Port Authority \(DPA\), Kandla](#) and [VO Chidambaranar Port Trust \(formerly Tuticorin Port Trust\)](#) for setting up **hydrogen manufacturing hubs**.
- **Global Expansion:** [India Ports Global Ltd \(IPGL\)](#) took over the operations of terminals at various international ports in **Sri Lanka, Myanmar, and Bangladesh**.
 - Also, India has successfully operationalised its contract for [Chabahar port](#).
- **Trade Corridors:** The proposed 4,800 km [India-Middle East-Europe Economic Corridor \(IMEC\)](#) will link Indian ports with countries like **Saudi Arabia and the United Arab Emirates (UAE)** and eventually extend to Europe.
- **MAITRI Platform:** **MAITRI (Master Application for International Trade and Regulatory Interface)** integrates multiple Indian operational portals with those of the UAE, streamlining cross-border trade processes.
 - It is designed as the backbone of the **Virtual Trade Corridor (VTC)** of IMEC which will facilitate secure and efficient **sharing of trade data** between countries.

What are the Key Facts Related to the Shipbuilding Industry?

- **About Shipbuilding:** Shipbuilding refers to the **construction, repair, and maintenance** of vessels used for transportation, defence, and trade.
 - Specialised facilities called **shipyards** handle large-scale projects and **complex ship assembly processes**.
- **Global Shipbuilding Market Overview:** The global shipbuilding market was valued at **USD 207.15 billion in 2023** and is expected to grow to USD 220.52 billion in 2024.
 - Major shipbuilding countries include **China, South Korea, Japan, India, Germany, and the USA**.
 - **China, South Korea, and Japan** collectively control **85%** of the market.
- **India's Share in Shipbuilding Market:** India holds **0.06%** of the global shipbuilding market. India **ranks 12th with USD 1.12 billion** in shipbuilding exports while **China** leads with **USD 25 billion exports**.
- **India's Shipbuilding Market Growth:** In 2022, India's shipbuilding industry was valued at **USD**

90 million and is projected to reach **USD 8,120 million by 2033.**

- The Indian shipbuilding market could unlock an opportunity worth over **USD 237 billion by 2047** due to government support, **strategic location**, labour cost advantages.

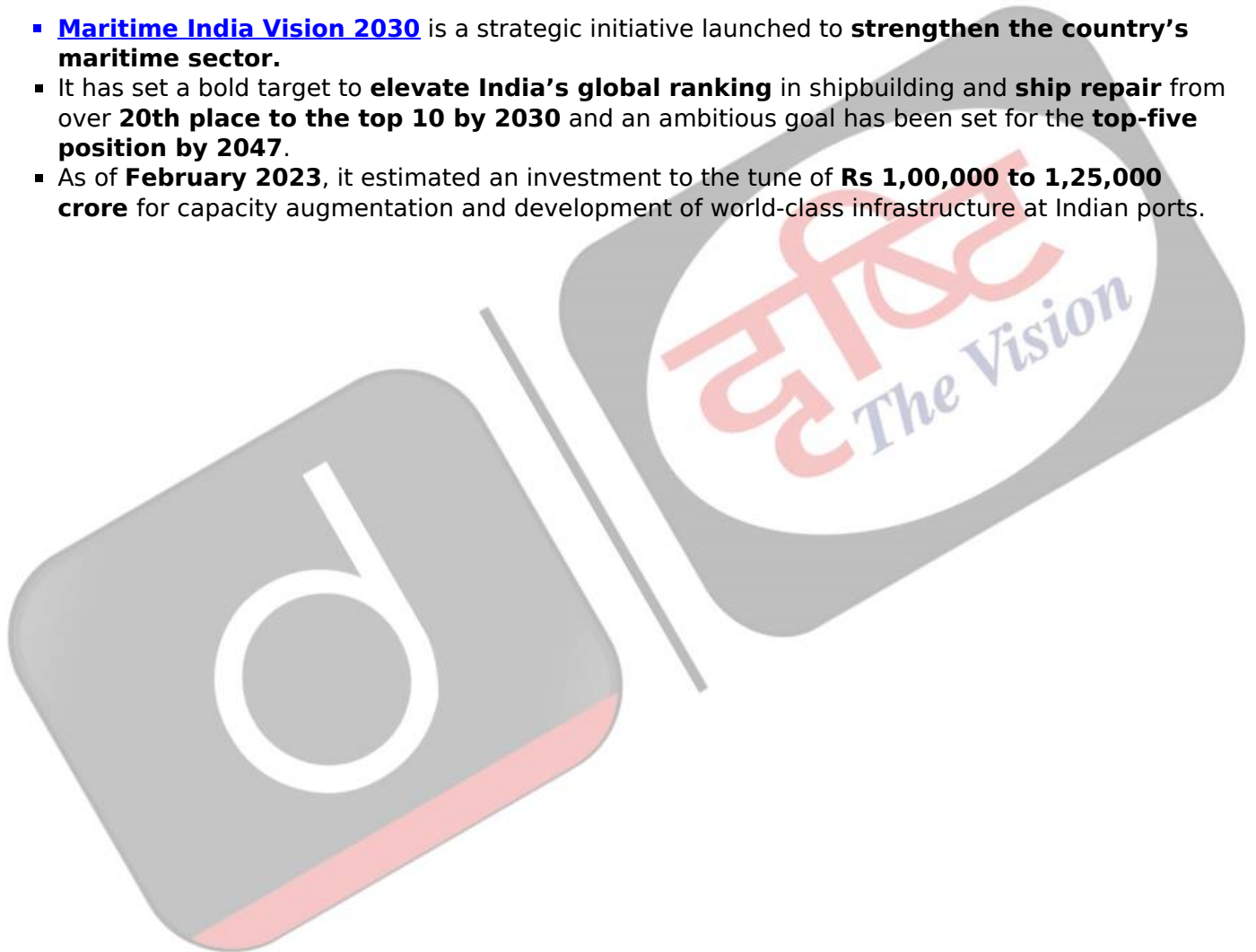
▪ **India's Top Shipbuilding Companies:**

- **Mazagon Dock Limited (MDL):** Known for constructing **warships** for the Indian Navy and Coast Guard.
- **Cochin Shipyard Limited (CSL):** CSL specialises in **offshore vessels, oil tankers, aircraft carriers**. It is the largest shipbuilder in India and country's largest ship-repair facility.
- **Adani Group Initiative:** In 2024, Adani Group announced a major shipbuilding initiative at **Mundra Port in Gujarat**, with a Rs 45,000 crore investment.
 - It aims to position India as a global shipbuilding hub, targeting a **USD 62 billion market by 2047.**

What is Maritime India Vision 2030?

- **Maritime India Vision 2030** is a strategic initiative launched to **strengthen the country's maritime sector.**
- It has set a bold target to **elevate India's global ranking** in shipbuilding and **ship repair** from over **20th place to the top 10 by 2030** and an ambitious goal has been set for the **top-five position by 2047.**
- As of **February 2023**, it estimated an investment to the tune of **Rs 1,00,000 to 1,25,000 crore** for capacity augmentation and development of world-class infrastructure at Indian ports.

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Major Ports in India



- Ports in India are classified as **Major** and **Minor Ports** according to the jurisdiction of the Central and State government as defined under the **Indian Ports Act, 1908** i.e. Major Ports are owned and managed by the Central Government and Minor ports are owned and managed by the State Governments.
- The **Major Port Authorities Act, 2021** provides for regulation, operation and planning of major ports in India and provide greater autonomy to these ports. It replaced the Major Port Trusts Act, 1963.
- There are **12 major ports**. **13th Major Port** (under construction) is **Vadhavan port, Maharashtra**.

Conclusion

India's **Shipbuilding Mission**, driven by **Maritime India Vision 2030**, aims to position the country among the **top global shipbuilding hubs**. With government support, strategic investments, and international collaborations, the mission will boost **India's maritime infrastructure**, create millions of jobs, and strengthen **global competitiveness**. Its focus on innovation and sustainable growth will significantly enhance **India's economic and geopolitical standing**.

Drishti Mains Question:

Discuss the salient features of India's Shipbuilding Mission under the Maritime India Vision 2030.

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