FAQs

Sectoral

Ports And Shipping

1. What is the role of the Directorate General of Shipping?

The Directorate General of Shipping deals with implementation of shipping policy and legislation. Its objectives are as follows: 1) Matters affecting merchant shipping & navigation. 2) Measures to ensure safety of life and ships at sea. 3) Development of Indian shipping. 4) International convections relating to maritime matters. 5) Provision of facilities for training of officers & rating of Merchant Navy. 6) Development of Sailing Vessels Industry. 7) Regulation of Ocean freight rates in overseas trade.

2. What are incentives available for Ship Building Industries in India?

Apart from dedicated ship building parks/plot offered by various state maritime boards on concessional terms, Ministry of Shipping (Government of India) has also offered various incentive for Ship Building Industry India. Shipbuilding Financial Assistance Policy aims to provide financial assistance to Indian shipyards for shipbuilding contracts signed between 1 April 2016 to 31 March 2026, including the said dates. The financial assistance will be 20% of the ‘ Contract Price ’ or the ‘ Fair Price ’, whichever is lower, as determined by international valuers, for any vessel built in India subsequent to its delivery. The quantum of financial assistance shall reduce by three percent after every three years of the policy. This policy shall be in force for a period of 10 years from the date stipulated in the guidelines formulated by the Government for the purpose. For details please refer to guidelines for 'Implementation of Shipbuilding Financial Assistance Policy' (as amended in October 2017) link.

3. Is there a plan to develop port based smart cities in India?

Yes, there are plans to develop Smart Industrial Port Cities. Initially such cities will come up near Kandla and Paradip ports. For more information, click here.

4. What are the initiatives taken by the Indian government in ports sector?

Copyright © 2026 Invest India. All Rights Reserved.

Government of India has launched major initiatives to upgrade and strengthen ports and shipping in the country including enabling policy measures to facilitate private investments in this sector. Some of the key initiatives like Sagarmala Project, dredging and navigation for 111 inland waterways , financial assistance for ship building in India, promotion of cruise shipping and cruise terminals in India, incentives for coastal shipping and development of 13 Coastal Economic Zones along the coastline of India.

5. What are Coastal Economic Zones?

Coastal Economic Zones (CEZ) are geographically contiguous districts within a State that are either coastal districts or districts having a strong port linkage. CEZs would link Major and Non-major ports, Industrial units and evacuation infrastructure into a single system at regional level. CEZs would fuel port-led industrialization program. Ministry of Shipping had identified 13 CEZ along the Indian coastline under Sagarmala Program. For details, please refer to link.

6. What are Coastal Zone Regulations?

Coastal stretches of seas, bays, estuaries, creeks, rivers and backwaters which are influenced by tidal action (in the landward side) up to 500 metres from the High Tide Line (HTL) and the land between the Low Tide Line (LTL) and the High Tide Line (HTL) is defined as Coastal Regulation Zone. Activities in such zones are subject to restrictions notified by the Union Ministry of Environment, Forests and Climate Change. For more information, click here.

7. Is Foreign investment allowed in Port & Shipping sector?

The Government has allowed 100% Foreign Direct Investment (FDI) in the shipping sector. 100% FDI is allowed under the automatic route for projects related to the construction and maintenance of ports and harbours.

8. What are the different modes of investment in Maritime sector?

Investors may take any of the following routes to invest in maritime sector: a) EPC mode b) PPP mode c) Captive mode d) Fully privately owned ventures For further details, please refer the link.

Copyright © 2026 Invest India. All Rights Reserved.

9. Are there any subsidies/financial assistance available for Maritime projects?

Yes, financial assistance is available for certain identified sectors such as shipbuilding. Government has also announced exemptions from Customs and Central Excise duties on inputs used in shipbuilding. Tax holiday for 10 consecutive assessment years for infrastructure development including Ports and Inland Waterways also available. This may undergo procedural change with introduction of GST. For further details, please refer the link.

10. Is Viability Gap Funding (VGF) available for projects in Maritime sector?

Viability Gap Funding is available for infrastructure projects under PPP mode. For further details, please refer the link.

11. Which is the nodal agency for investments in ports?

Major ports under the administrative control of Ministry of Shipping, Government of India invite investment proposals on their own. For non-major ports, investment proposals are routed through concerned State Governments. For further details, please refer the link.

12. Which new ports are being developed by the Central government?

Central Government has plans to build six greenfield major ports as follows: a) Vadhawan, Maharashtra. b) Sagar, West Bengal. c) Enayam, Tamil Nadu. d) Bellekeri, Karnataka. e) Sirkazhi, Tamil Nadu. f) Paradip Satellite Port, Odisha. For further details, please refer the link.

13. What is the length of concession period for port projects?

Generally, length of concession period is 30 years. For further details, please refer the link.

14. Is there any agency for classification and certification of ships in India?

Yes. Indian Register of Shipping is the recognized agency for classification and certification of ships. Please visit the following link.

Copyright © 2026 Invest India. All Rights Reserved.

15. How is the allotment of land for shipbuilding projects done in India?

Shipbuilding projects are generally established close to sea front. Land is allotted by the concerned State Government as per the prevailing land allotment policy. Shipbuilding projects may also be set-up within Major ports ' estates or existing shipyards. For more information, click here.

16. Which is the nodal agency for regulation of lighthouse tourism?

Directorate General of Lighthouses and Lightships (DGLL) is the nodal agency for regulation of lighthouse tourism. For further details, please refer the link.

17. Which are the major educational and training institutes for Maritime sector in India?

Indian Maritime University is the premier institution for maritime education in India. In addition, there are 133 maritime training institutes approved by administration which provide pre-sea and post-sea trainings to individuals taking up career in maritime sector. For further details, please refer the link.

18. Is security clearance required by foreign investors and how can security clearance be obtained by foreign investors?

Yes, usually security clearance for foreign investors is obtained by project proponents. Foreign investors need to submit required documents with the project proponent who arrange to obtain security clearance. Please visit the following link for more information.

19. What FDI policies are made for ports and shipping sector?

100% FDI is allowed under the Ports & Shipping sector via automatic route. For more information, click here.

20. From where a person can get data for issue/transformation of a permit?

The requirements for conversion/issue of licence are specified in CAR Section 7 Series ' G ' Part I and schedule-II of the aircraft rules. The requirements for CPL are also clearly spelled out in the

Copyright © 2026 Invest India. All Rights Reserved.

application form for issue / conversions of CPL. For more information, click here.

Copyright © 2026 Invest India. All Rights Reserved.